



# PROVINCIAL SITUATION REPORT

Volume 25 : As of 1 September 2020

## Table of Contents

DISCLAIMER.....	2
ISSUE OF THE WEEK.....	3
POLICY INSIGHT.....	4
1. National Level.....	4
2. Provincial Level.....	5
FOOD SYSTEM.....	8
1. East Java.....	8
2. Central Java.....	8
3. West Nusa Tenggara (NTB).....	8
4. East Nusa Tenggara (NTT).....	9
5. Papua.....	9
SECTOR'S ISSUE.....	10
1. East Java.....	10
2. Central Java.....	11
3. West Nusa Tenggara (NTB).....	11
4. East Nusa Tenggara (NTT).....	12
5. Papua.....	13
RURAL ECONOMY.....	14
1. East Java.....	14
2. Central Java.....	14
3. West Nusa Tenggara (NTB).....	15
4. East Nusa Tenggara (NTT).....	15
5. Papua.....	16

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## DISCLAIMER

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PRISMA and Palladium attempt to verify the data and/or information in this report but, due to the rapid nature of the COVID-19 response, there may still be errors, inaccuracies, or omissions. Subsequently, PRISMA and Palladium assume no responsibility or liability for the content of this report.

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## ISSUE OF THE WEEK

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### **SUBSIDISED FERTILISER STOCK MAINTAINED**

PT. Pupuk Indonesia maintains a stock volume of subsidised fertiliser. Even though the minimum stock of subsidised fertilisers is only 125,539 tons, PT Pupuk Indonesia has prepared 1,045,261 tons, eight times higher, to anticipate fertiliser demand from farmers who do not receive an adequate amount of subsidised fertiliser assistance. The stock consists of 845,441 tons of Urea, 87,297 tons of NPK, 51,060 tons of SP-36, 21,086 tons of ZA, and 40,378 tons of organic; available from the first to fourth line. The stock was fulfilled by five Pupuk Indonesia subsidiaries, namely PT Pupuk Kaltim, PT Petrokimia Gresik, PT Pupuk Kujang, PT Pupuk Iskandar Muda, and PT Pupuk Sriwidjaja. The company has also anticipated the fertiliser demand from farmers who are not registered in the electronic system of the Definitive Plan of Farmer Group Need (e-RDKK).

Most of the fertiliser stock has already been available in the 3rd line, as much as 567,029 tonnes. It will only be distributed to farmers through the company's official kiosks, upon government instruction/approval. Besides, to anticipate the risk of subsidised fertiliser shortage, the company has also prepared around 750 thousand tons of non-subsidised fertiliser.

<https://bitly.co/3Ib4>, <https://bitly.co/3Ib5>

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## POLICY INSIGHT

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### 1. National Level

- The Meteorology, Climatology, and Geophysics Agency (BMKG) announced that Indonesia's weather will transition from the annual drought to the rainy season which will see a number of regions experience extreme weather such as thunderstorms. The northern part and western coast of Sumatra are expected to experience this weather extremity. However, BMKG warned that there could be meteorological droughts in other parts of Indonesia even though the peak draught season had taken place in August. Areas that would experience less rain is forecasted to take place in East Java, Madura, parts of Bali, West Nusa Tenggara, and East Nusa Tenggara. <https://bit.ly/2EPISuY>
- Demand for dairy milk consumption is estimated to increase by 11.73% per year, while the growth in Susu Segar Dalam Negeri (SSDN) production is stagnant at 6%. Academic of the Bogor Agricultural University (IPB) explained that the level of milk consumption and animal protein in Indonesians is still relatively low among other countries in ASEAN. Data from the Central Statistics Agency (BPS) in 2017 noted that Indonesia's average consumption reached 16.5 liters per year, far below Brunei Darussalam, Malaysia, and Singapore. Business actors and academics have encouraged the government to include the milk commodity in the category of essential staple foods. This is not only to increase milk consumption but also to overcome the stunting problem and to improve the selling price of milk produced by smallholder farmers. <https://bit.ly/2YSmWqq>
- According to President Joko Widodo, local governments could increase economic growth. Therefore, the President asked regional heads to accelerate the absorption of the Regional Expenditure Budget (APBD). Especially with regard to spending on goods, capital, and social assistance. This effort is for positive Indonesian economic growth in the third quarter. <https://bit.ly/2QJA0dc>

## 2. Provincial Level

- **East Java:** Subianto, member of Commission B - East Java House of Representative concludes that implementation of a decree from Directorate General of Agriculture Infrastructure, Ministry of Agriculture, 498/SR.320/08/2020, started from 1 September 2020, could trigger a social upheaval in East Java, considering that farmers in the province will start planting season by October. Moreover, East Java will also organize a simultaneous district head election by December 2020. Based on the policy, eligible farmers to access subsidised fertiliser are those who already have the farmer card. Unfortunately, only 40% of total farmers in East Java have the card. On the contrary, the provincial government of East Java is proposing an additional 2.9 million tonnes of fertiliser assistance from MoA. (<https://bityl.co/3IHl>)
- **East Java:** Agung Mulyono, member of Commission B – East Java House of Representative recommend the following scenarios for Micro, Small, and Medium enterprises (MSME's) recovery affected by COVID-19: (i) budget refocusing to provide better access to finance for SMEs in the form of revolving fund; (ii) provincial government actively support MSME's products promotion strengthening; (iii) provision of quality seed, including GAP and good product processing to farmers; and (iv) supporting cooperative sector with access to finance, to better support MSME's and farmers. <https://bit.ly/3gOkLtX>
- **Central Java:** Central Java Provincial Bappeda invited PRISMA to present material of "Ideas and Potentials for the Development of Maize Commodities in Central Java" during an FGD entitled "Maize Agribusiness Development to Support Food Security and Animal Feed Material", which was held on August 28, 2020. On that occasion, PRISMA highlighted maize commodity development in Central Java by taking into account the issues in the market system and comprehensive yet targeted policies and program planning. PRISMA also emphasizes the importance of involving market players in program implementation. The FGD event aimed to formulate recommendations, including: (i) policies to increase production and productivity of maize to meet food and animal feed needs, (ii) identification of maize needs, especially in meeting standards and quality animal feed. In his remarks, the Head of Bappeda expected that the FGD could generate input for next maize farming programs to increase productivity and self-sufficiency, both upstream and downstream. Also present as a speaker at the event: Purchasing Division of PT Charoen Pokphand Central Java and the Head of the Maize Section, representing the Head of the Central Java Provincial Agriculture and Plantation Office. Source: FGD minutes
- **Central Java:** The existence number of one agricultural extension in each village is considered not ideal. Therefore, agricultural extension workers are expected to remain enthusiastic in assisting farmers in increasing their productivity. This was conveyed by the Acting Head of Kudus District, HM Hartopo, when opening a national online seminar on agricultural extension by Association of Indonesian Agricultural Extension Officers (Perhiantani) of Kudus District, Thursday (27/8/2020). He said that one of the solutions is to increase the number of independent agricultural extension workers. On that occasion, Hartopo also reminded agricultural extension workers always to apply health protocols, wear masks, wash hands with soap, keep the distance, and avoid crowds. <https://bit.ly/3hGudkl>
- **NTB:** The NTB Provincial Government is planning to build an integrated farming system in Labangka sub-district, Sumbawa District. The Labangka Integrated Agricultural System is a system that combines the agricultural, plantation, livestock, and other strategic sectors. This system uses a variety of plants and livestock to create an ecosystem in one integrated area. This was conveyed by the Head of the Agriculture Office Husnul Fauzi to the Governor of NTB, Zulkieflimansyah, when presenting the plan to develop an Integrated Agricultural System area of 10,000 hectares in the Labangka Sumbawa. <https://bit.ly/34QWXDu>
- **NTB:** According to the Indonesian Parliament member's advice, the Integrated Waste Processing Site (TPST) in Sweta village was officially closed. The TPST was closed because it damaged the quality of the rice stored in BULOG warehouses around the area. The smell of garbage may have

damaged the quality of the rice. As a replacement, the Mataram City Government is still looking for new land. The plan is that the land in the former TPST can be sold or exchanged to construct a new TPST. <https://bit.ly/2Qlr8Es>

- **NTB:** Lending by financial institutions in NTB is beyond expectations. Its growth has reached ten times that of the national credit. The COVID-19 pandemic has not significantly affected the economy in this province. The Financial Services Authority (OJK) did not even expect credit growth in NTB to be so progressive amid the pandemic. Loans are disbursed by 34 Commercial Banks and Sharia Commercial Banks; 32 Rural Banks (BPS) and Sharia BPRs. The COVID-19 pandemic's impact was not very significant in NTB, or there was an anomaly in credit growth, as reflected in the growth of bank credit in NTB of 20.74% (yoy). With a total distribution of Rp 50.16 T, or far exceeding the national credit growth, which increased by 1.58%. <https://bit.ly/34Nk0ix>
- **NTB:** Minister of Agriculture, Syahrul Yasin Limpo, appreciates the contribution of PT Bank Negara Indonesia (BNI) as a partner of the Indonesian Ministry of Agriculture. They provide support to the agricultural sector, specifically in distributing KUR through a farmer-cooperative scheme. According to the Minister, entering into the new habits adaptation, the agricultural sector has become the President's spotlight and focus. <https://bit.ly/34U4MrU>
- **NTT:** The NTT Provincial Financial Services Authority (OJK) stated that 42,142 bank debtors in NTT had received credit relaxation due to the COVID-19 pandemic. The MSME sector dominated the debtor at 86%. Meanwhile, the credit relaxation value until June 2020 reached Rp 3.7 trillion, in the form of postponement of principal and interest payments, which is valid until March 31, 2021. In addition, debtors are also given interest subsidies with government policy, namely 6% subsidised MSMEs in the first three months and 3 % in the following three months. The government also provides capital for businesses by placing funds in banks, both Himbara of Rp 30 trillion and BPD of Rp 11.5 trillion. This placement of funds is intended so that business actors receive initial capital to start a business again. However, the problem currently faced in NTT is that the real sector business actors do not want to fully operate as before the pandemic. Some of the factors are the condition of the real sector that has not moved and banks that are still cautious about credit risk. To overcome this, the government has also issued another policy for guarantees for MSMEs and corporations. All these efforts aimed to revive the economic business sector in NTT to avoid a contraction in the third quarter of 2020. <https://bit.ly/2QCwh0G>
- **NTT:** The extension officers in NTT Province attended a basic value chain facilitation training on 25-27 August 2020 in Labuan Bajo. This activity is included in the Participatory Development and Management of Irrigation Project (IPDMIP). The IPDMIP project aims to increase productivity and the welfare of farmers. There were 35 training participants from the Agriculture Office, field and independent extension workers, Bappeda, and Agricultural Extension Centers (BPP), who came from Manggarai Barat and Manggarai Timur Districts. <https://bit.ly/3bcu3i6>
- **Papua:** The Ministry of Agriculture held the strengthening of the Agricultural Development Strategic Command (Kostratani) Movement throughout Indonesia, including in the Jayapura District, The Nimbokrang Agricultural Extension Center (BPP) admitted that they are ready for the transformation to carry out agriculture digitization 4.0 through online training supported by the Papua Agricultural Technology Research Institute (BPTP). <https://bit.ly/3h15jki>
- **Papua dan Papua Barat:** President Joko Widodo said that economic growth in Papua and West Papua grew positively in the second quarter of 2020. According to him, only these two provinces managed to avoid economic contraction during the COVID-19 pandemic. Papua has the highest economic growth of 4.52%, and West Papua of 0.53%. <https://bit.ly/3jwhEIS>
- **Papua dan Papua Barat:** President Joko Widodo set a special autonomy fund (otsus) for the Papua and West Papua Provinces of Rp 7.8 trillion. The stipulation was contained in the 2021 State Revenue and Expenditure Budget Draft (RAPBN), which was previously Rp 7.6 trillion. Following the mandate of the law, the Special Autonomy Fund allocation for Papua and West Papua is equivalent to two percent of the total National General Allocation Fund (DAU) ceiling and

is valid for 20 years. The Special Autonomy Fund is also directed to finance the infrastructure's development and maintenance, empowerment of the people's economy, poverty alleviation, education, social, and health funding. <https://bit.ly/3hNLBnd>

- **Papua Barat:** BPS of West Papua, in the release of its second-quarter economic growth on August 5, stated that the contraction in economic growth due to the COVID-19 pandemic also occurred in West Papua. Compared to the previous quarter, West Papua's economic growth contracted by 2.75. In response to this, the agricultural sector is expected to be a solution, given that the business sector in West Papua is dominated by agriculture at 33.54%. In addition, the absence of intense interaction between individuals and their role in meeting food needs makes agriculture a potential sector for economic growth. <https://bit.ly/32Mju1l>

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# FOOD SYSTEM

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*Impact at food supply continuity; food price; etc*



## 1. East Java

- The decreasing frequency of traditional events due to COVID-19 weakens chili demand within the last two months, in Blitar. Chili farmers in Blitar expect that the price will not fall lower than Rp 10,000/kg. However, the current chili price in the local market is only Rp 6,000/kg. Mite pest attack also responsible to the chili farmer's loss, as they had already spent extra money to buy pesticides. <https://bitly.co/3HNz>

## 2. Central Java

- The Purbalingga District Government, Central Java, continues to intensify the socialization of health protocols in traditional markets to increase public understanding of COVID-19 prevention efforts. The Regent of Purbalingga added that her party also regularly distributes masks to market traders in addition to socializing health protocols. "The priority distribution targets are traders in several markets in Purbalingga. Some of the markets that have been visited recently include Segamas Purbalingga Market, Bobotsari Market, Kutasari Market, and Tobong Kutasari Market," she said. <https://bit.ly/3hGuJih>

## 3. West Nusa Tenggara (NTB)

- The drought that hit NTB is increasingly widespread. Drought-affected people increased by 13,126 people, from 705,691 people on August 18 to 718,817 people on August 26. Meanwhile, the NTB Regional Government Budget Team (TAPD) ensures an unexpected expenditure budget (BTT) for

handling the clean water crisis. Several district/city governments have submitted their budget assistance proposal to the province to distribute clean water. <https://bit.ly/32K3ihm>

- The Chief Executive of the Lombok Barat (Lobar) District Disaster Management Agency (BPBD), Mahnan, said solving the drought disaster requires a permanent solution. The permanent solution is the construction of dams for areas affected by drought. For example, the Meninting Dam, Batulayar sub-district, can cover water needs for the northern part of Lobar. The dry area in Lobar is mostly hilly. So, it is also impossible to install clean water from the PDAM. So far, BPBD's efforts to deal with drought have only been made by dropping clean water and making drilled wells, which are inadequate. <https://bit.ly/32Dwt5C>
- NTB Coffee has the opportunity to increase market access and exports amid the COVID-19 pandemic. This was proven by holding a Business Matching event between business actors/coffee exporters and the NTB Provincial Coffee Farmer Groups on August 25-26 in Senggigi, Lombok Barat District. Head of the Department of Agriculture and Plantation Office NTB province, Husnul Fauzi, welcomed the implementation of this business matching. This has become a momentum to strengthen the coffee market in NTB Province, although market access is currently constrained. In the future, through this activity, it is hoped that NTB coffee exports can increase significantly. <https://bit.ly/3bfkT4t>

#### 4. East Nusa Tenggara (NTT)

- The Kupang City Government asked the Perusahaan Daerah Pasar in the area to start focusing on dealing with market hygiene to provide comfort to consumers and traders in their activities at the market. Market cleaning is a priority program of the local government. Therefore, community participation will also be involved, including youth and religious leaders. PD Pasar itself will soon reactivate trading activities at Bimoku Market and Alak Market, which have been closed due to the COVID-19 pandemic. Soon, socialization will be carried out to traders and residents to return to trading in the two markets. <https://bit.ly/3gFlwFL>

#### 5. Papua

- During the COVID-19 pandemic, broilers' price at Pharaa Sentani Market, Jayapura, has increased quite sharply. Previously large-sized broilers were Rp 60-65 thousand, increased to Rp 80-85 thousand per head. Meanwhile, the price of medium-sized broilers increased by Rp 5,000, from Rp 50,000 to Rp 55,000. "Since there was a time limit for activities only until 2 pm, there were many buyers. However, after the extension until 5 pm, the buyers actually dropped dramatically," said the trader. <https://bit.ly/3gJb5B3>
- The policy of a new normal implementation or towards a new life order that will be implemented in September 2020, apparently has not been able to increase the turnover of traders in traditional markets. One of them is Fitri, a seller of agricultural commodities at Hamadi Market, Jayapura Selatan District, Jayapura City, Papua. Since the COVID-19 pandemic at the end of March 2020, sales have dropped by 70% to 80%. In normal days, the sales turnover can reach Rp 3 million a day. However, she can only generate between Rp 500 thousand to Rp 700 thousand in a day for the past five months. She didn't even get any income since the market was closed for a week. <https://bit.ly/3bekMGo>

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## SECTOR'S ISSUE

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*Specific issues related to the agricultural sectors PRISMA works in.*



### 1. East Java

- **Crop Protection:** Whitefly pests are attacking 50 hectares of watermelon crops in Langkap village of Bangsalsari subdistrict, Jember. The farmers informed them that they had applied pesticides to their crops, but the result is not satisfactory. Apart from that, farmers reported that the pests had attacked their crops three times in a row. <https://bitly.co/3HJz>
- **Crop Protection:** In response to the planthopper and rat pest attack in East Java, a team from MoA organised a 3-days technical assistance/training at Betek Village (Jombang District), Pojok Kulon Village (Jombang District), Bulangkulon village (Gresik District), and Turi Village (Lamongan District) on 25-27 August 2020. During the training, the team disseminates strategy and approach to mitigate and respond to the pest attack. <https://bitly.co/3HKc>
- **Fertiliser:** Anti-Corruption Commission (KPK) calls for district governments in Java, Madura, and Greater Sumbawa regions' attention to implement a more transparent and better targeted subsidised fertiliser distribution using Farmer Card (KARTANI). The direction will impact 40 thousand farmers in Tulungagung who would no longer access subsidised fertiliser starting from September 2020, as they do not have KARTANI. <https://bitly.co/3HNV>
- **ICT:** The new appointed Temporary Head of BAPPEDA East Java has issued a letter to Provincial Trade & Industry Office (DISPERINDAG), Provincial Cooperative & SMEs Office (DISKOPUKM), and Provincial Food Security and Agriculture Office to support a tri-partite collaboration with PRISMA and Tukangsayur.co, in accordance to Minutes of Collaboration Meeting, dated 17 June 2020. Based on the meeting notes, Tukangsayur.co requests Provincial Government offices' support to endorse their e-commerce service to potential SME's, traditional markets, and cooperatives in East Java's potential districts. Source: letter from BAPPEDA East Java number 510.1/15.160/201.4/2020

- **Irrigation:** As follow up of a preliminary virtual coordination meeting facilitated by BAPPEDA Sumenep in mid-August 2020, CV. Rong Cu Yu and the District Water Resource Office of Sumenep had a meeting on 25 August 2020 in Sumenep. They agreed to collaborate in detecting 40 underground water sources by the end of this year. Separately, BAPPEDA Pamekasan also informed about their agreement with CV. Rong Cu Yu to complete the on-going 3rd batch of new underground water detection activities. BAPPEDA Pamekasan also welcomes the Environmental Protection Specialist consultant and baseline survey team from PRISMA to conduct research and survey, including visiting relevant government technical offices in the district. Source: minutes of meeting
- **Maize, Rice and Crop Protection:** Secretary of Blitar District Agriculture Office informs that rat pests have attacked rice and maize crops in the district since May 2020. She also said that rat is damaging around 30% of maize crops, especially in the Wonodadi sub-district, and fail farmers' harvest in this planting season. <https://bit.ly.co/3HLp>
- **Rice and Crop Protection:** Planthopper and rat pests are damaging rice crops in Jombang. The district agriculture office reports that rat pests have attacked a total of 1069 hectares of rice crops. At the same time, planthopper pest has created damage to 600 hectares of rice crops in the district. The Head of Jombang District states that the district government will help the impacted farmers with pesticide aid. <https://bit.ly.co/3HKE>
- **Rice and Crop Protection:** The Head of Food Security and Agriculture Office of East Java Province reminds all district agriculture offices in the province that the upcoming wet-dry climate is making 1,293.91 hectares out of 374,080 hectares of planted rice crops in East Java more vulnerable to planthopper pest attack. However, the impact of the on-going planthopper pest attack in the province is still very low at about 0.35%. To mitigate and respond to the threat, the provincial agriculture office has prepared 31,648.46 liters of pesticide aid. It will be distributed to any districts upon request from the district agriculture office. <https://bit.ly.co/3HLI>

## 2. Central Java

- **Rice:** Farmers in Demakijo Village, Karangnongko sub-district, Klaten are eyeing red rice cultivation. It has a promising market value and is in demand by many people. The farmers took the real steps by holding the first harvest of red rice on Friday (28/8/2020). It is planned that the first rice harvest will be prepared for the seed. At least one hectare of agricultural land will be harvested by red rice on that occasion. There are around 338 farmers who work on the farmland in Demakijo Village of 78 hectares. It is a result of cooperation between the village, PT Sang Hyang Seri, and the Klaten Food Security and Fisheries Office (DPKPP). <https://bit.ly/3bfzHAb>

## 3. West Nusa Tenggara (NTB)

- **Fertiliser:** Pupuk KALTIM initiated the Agro-Solution program to utilize agricultural areas with the concept of a sustainable partnership alliance, in collaboration with the MoA, the Provincial Government of NTB, and multi-stakeholders. The collaboration was marked by the signing of a Memorandum of Understanding (MoU) between the Commercial Director of Pupuk KALTIM Gatoet Gembro Noegroho, the General Director of Food Crops of the MoA Suwandi, Head of the NTB Agriculture and Plantation Office Husnul Fauzi, and the Alliance Stakeholders Partners, witnessed by the Minister of Agriculture Syahrul Yasin Limpo and NTB Governor Zulkieflimansyah. <https://bit.ly/2YUMTFD>
- **Fertiliser:** Pupuk KALTIM prepares non-subsidised urea fertiliser with the DAUN BUAH brand at every official distributor and kiosk throughout its distribution area. This is to anticipate the scarcity of fertilisers and meet farmers' needs ahead of the planting season. The availability of a non-subsidised fertiliser supply is carried out to support the planting period. Meanwhile, Pupuk KALTIM has distributed 228,398-tons of subsidised urea, or 98% of the 233,691 tons allocation as of August 28, 2020. Managing Director of Pupuk KALTIM Rahmad Pribadi stated, for the 2020 planting

season, apart from distributing subsidised urea, the company is also preparing non-subsidised urea, which farmers can get as needed without referring to the E-RDKK rules. <https://bit.ly/3hYrJha>

- **Beef:** After the last visit of the Minister of Agriculture, the Governor of NTB immediately coordinated with the OPD and related parties, including the NTB Provincial Agriculture and Plantation Office and the NTB Province Animal Husbandry and Animal Health Service, to follow up on the “Livestock Village” program. In the early stages, the program will be implemented in five villages in Lombok Tengah District, out of 50 selected villages in NTB. The five selected villages will each receive 200 cattle from the central government. <https://bit.ly/2YN6Z4H>
- **Poultry:** To create added value for farmers, the provincial government continues to promote industrialization in the agricultural sector. This year, a 50-ton daily capacity animal feed factory has begun to be built at the NTB Science Technology and Industrial Park (STIPark) in Banyumulek, Lombok Barat (Lobar). The construction of the feed factory is expected to attract investors to invest in the agricultural sector's industrialization. <https://bit.ly/2YUz22d>

#### 4. East Nusa Tenggara (NTT)

- **Maize & Irrigation:** A number of maize seeds nursery farmers in NTT Province have introduced a drip irrigation system and its potential use to increase seed production in maize cultivation activities. This activity was carried out in a maize seed business training, a cooperation of the NTT Province Agriculture Office, the Agriculture Technology Development Center (BPTP) NTT, and PRISMA, last Friday in Kupang. The nursery farmers were introduced to the drip irrigation technique, which is being developed by Power Agro Indonesia. Apart from drip irrigation, solar water pumps are also believed to be a solution for farmers amid their difficulties in providing sufficient water for agricultural activities. <https://bit.ly/2QGgPku>
- **Irrigation:** The Kupang District Government is building 30 units of boreholes to overcome the water crisis for the community, including agriculture and livestock businesses. According to the Head of Kupang District, Korinus Masneno, drilling wells is an infrastructure that is easier to build in a short period to solve the urgent shortage of water in the community. In addition, this is one of the focuses of development to increase the agricultural and livestock sectors' productivity. For the next plan, the district government will build 1,000 boreholes using solar energy sources and costs around Rp 30 million. This plan has been submitted to the relevant ministry. Currently, Kupang District already has two dams built by the central government, namely the Raknamo Dam, which is already operating, and the Manikin Dam, which is currently under construction. <https://bit.ly/2EFWv05>
- **Seaweed:** The NTT Provincial Government will seriously develop seaweed potential because the quality of seaweed in NTT is of export quality. The Governor of NTT, Victor Laikodat, reminds the NTT Provincial Government in encouraging the acceleration of the development of the fisheries and marine sectors that have not been managed optimally, for example, due to technological constraints. In 2021, said Laikodat, NTT will start producing seaweed with good quality, supported by adequate cultivation technology. <https://bit.ly/3lz5SiM>
- **Beef and Finance:** The Head of Kupang District, Korinus Masneno, guarantees that banks' credit distribution to support cattle farming in the area will not experience congestion. This conviction was conveyed in connection with the Kupang District Government's efforts to increase access to bank credit to develop cattle farming in the district. He said that the Kupang District Government has partnered with several banks such as the NTT Bank, BRI, and BNI to provide credit for the community's cattle farming business. So far, credit financing has been running smoothly because cattle breeders will never sell cattle outside of what is stipulated by the creditors. In addition, from livestock safety, the Kupang district government has coordinated with security forces to take firm action against livestock theft perpetrators. <https://bit.ly/34RvDov>
- **Beef and Finance:** Bank Indonesia (BI) of NTT Province has prepared 17 groups of cattle breeders in Kupang District to be able to access bank credit to increase the productivity of livestock

businesses in the area. This activity will start in September 2020. The 17 cattle farmer groups will access credit with a total value of around Rp 14.7 billion. According to BI NTT, this effort is made to accelerate access to funds or liquidity in banking for the real business sector in economic recovery due to the impact of COVID-19. There are a number of determinants of liquidity absorption, including the readiness of the real sector, the readiness of entrepreneurs or farmer groups, and banks' willingness to extend credit. <https://bit.ly/2DeCn4z>

- **Poultry and Pigs:** The Kupang District Government is collaborating with the Kupang Polytechnic of Agriculture (Politani) to produce animal feed for chicken and pig farms to overcome the difficulty of feeding for community livestock businesses. The Head of Kupang District, Kornelis Masneno, said that so far, the business of raising chickens and pigs by the community had not developed rapidly due to dependence on feed supplies from outside NTT. From data on the loading-unloading port in Tenau Kupang, about 1,600 tons of chicken and pig feed are imported from outside NTT every year. Meanwhile, this area has raw materials for producing animal feed. Korinus then asked the NTT Provincial Government to support them to facilitate the construction of an animal feed factory in his area. <https://bit.ly/2EJxzEB>
- **Beef:** The Kupang District Government has prepared around 13 million lamtoro tarramba seeds that will become forage for cattle farming. Currently, the Kupang District Government has formed an ad hoc team for the development of lamtoro tarramba plants as animal feed to increase cattle farming productivity in the area. After the seeds are prepared, they will immediately distribute to community or groups of cattle breeders in the villages to be planted in their respective fields. The calculation is that if the residents own at least one hectare of lamtoro tarramba land, then they can raise five cows. <https://bit.ly/31IWWj6>

## 5. Papua

- **Vegetable:** Papuan is familiar with a variety of plants like asparagus. The most popular is the sugarcane-like plant, which is commonly called the 'wax vegetable'. This commodity, with the Latin name of *Saccharum Edule*, is widely grown in residents' gardens and is easily found in traditional markets. The processed products are also in high demand as the middle class' food. Anthropologists see this as potential, given the high demand for asparagus, especially in the European market. <https://bit.ly/2ENn5nX>

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## RURAL ECONOMY

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*Impact at rural area such as continuity of farmers' production; agriculture inputs availability; labour availability at rural area; market access; etc*



### 1. East Java

- In collaboration with an export company called PT Nusantara Segera Abadi (NSA), the District Government of Blitar signs a partnership deal to start an 80-hectare cavendish banana plantation business in Selopuro Sub District. Next, the collaboration will also target a total area of 150 hectares, covering Gandusari, Doko, Selorejo, and Kesamben sub-districts. The collaboration covers technical assistance and access to the export market from PT NSA to cavendish banana farmers. PT NSA has a marketing network in 65 countries and will support the farmers to access those export markets. <https://bitly.co/3HP0>

### 2. Central Java

- Villages are given adequate authority and funding sources to manage their potential to improve the economy and community welfare. Every year, the central government budget a large village fund to be given to villages, including to empower BUMDes. According to Deputy Head of Purworejo District, Yuli Hastuti, BUMDes is expected to emerge as an institution capable of keeping the village economy during this difficult time. Through various managed businesses, BUMDes is expected to reduce the village's unemployment rate and increase the village community's income. Various efforts are needed to strengthen the existence of BUMDes, such as internal consolidation, building partnerships with economic actors in villages, private companies, and BUMD/BUMN. <https://bit.ly/2YRyqQ>
- The Boyolali District Government, through the local Agriculture Office, is developing soybean farming in 11 sub-districts to increase its production. "The soybean farming development is one of the government programs, including Boyolali, which will receive assistance for 3,000 hectares in 2020," said Head of Boyolali Agriculture Office, Bambang Jiyanto. However, after being socialized

to farmers, 852 ha was absorbed, spread over 11 sub-districts, including Banyusri Village. He said soybean development is rather tough, where domestic demand is great, but it is difficult to develop because farmers are not interested in it. <https://bit.ly/3IDb9WH>

- The Head of Temanggung District, M Al Khadziq, said that the export potential of Temanggung coffee is very high, both for robusta and arabica coffee. In Temanggung, there are about 12,000 hectares of robusta and arabica coffee fields. He said that Temanggung is ready to export coffee and expand its marketing network. However, he admitted that Temanggung has not been able to export itself and is still through intermediaries until now. "The potential is huge, both robusta and arabica. Today we made our first delivery at the Prima Jaya Coffee Cooperative with members of almost all robusta coffee-producing sub-districts," he added. <https://bit.ly/3hMNMRA>

### 3. West Nusa Tenggara (NTB)

- The total agricultural land area in Kateng Village, Praya Barat Sub-District, Lombok Tengah District reaches 1,500 ha. L Syarifuddin, one of the successful farmers in Kateng Village, said that when planted on ordinary soil, the melons taste not as sweet as those planted in clay. It also affects the size, shape, and colour of the melon. Out of 19 hamlets in Kateng Village, only three hamlets have the potential: Pilang, Kemelong, and Duah Gubuk. The planted area reaches 3 ha. In one hectare, it can produce 30 tons of golden melon, or even more. If it is sold in one hectare, it reaches Rp 300 million. <https://bit.ly/34QeLys>
- The Coordinating Minister for Human Development and Culture (Menko PMK), Muhadjir Effendy, asked the public to open the Sunday market so that the community's economy runs smoothly. "If this can be mobilized, I am sure it will be a tremendous force to raise the people's economy and also to encourage tourism in NTB," he said while visiting Rajumas Healthy Village, Mantang Village. The Coordinating Minister was very interested and asked the community to activate the Sunday market while seeing the typical handicrafts and processed food products of the village. <https://bit.ly/2ETIATI>
- Amid a sluggish economy due to COVID-19, the youths in Sandik village, Batulayar Sub-District, Lombok Barat District, can generate quite a large income. Creative youths work together with third parties to turn illegal landfills (TPS) into hydroponic plant development centers. In a month, they get Rp 46 million sales, while production costs are only Rp 8 million. <https://bit.ly/3bdpBQ8>

### 4. East Nusa Tenggara (NTT)

- The BMKG of Kupang predicts that there will be a prolonged drought in 2020 in NTT Province. In addition, the La Nina phenomenon causes erratic rainfall, which will impact rainfed agricultural systems with long dry days, reaching 31 to 60 extreme days. According to BMKG, there are 13 districts and one city in NTT Province with a drought alert status. This is due to the La Nina phenomenon, which affects the climate in the NTT. Meanwhile, several other districts in NTT are currently on alert and alert to drought, with rainfall predicted to occur in October. <https://bit.ly/31JfFuw>
- Minister of Marine Affairs & Fisheries, Edhy Prabowo, harvests tilapia in the Mata Air Village, Kupang District. This activity is part of his first visit to NTT Province. The community carries out the tilapia business by utilizing Biofloc that is assisted by the Ministry of Marine & Fisheries (KKP) to the community in 2019 to cultivate capture fisheries, especially tilapia. The head of Mata Air Village, Benyamin Kanuk, stated that the assistance of 10 Bioflok units in the village is very helpful for the community because it has become a source of income for the community. Seeing the good results in Kupang, the KKP plans to expand similar assistance to other areas. During the visit, the Minister of KKP and NTT Governor Viktor B Laiskodat sowed 7,000 tilapia fish seeds. <https://bit.ly/3qJe78i>

## 5. Papua

- The Gema Valentine Papua Foundation is ready to hold the Tinutuan Festival or free meals at ABR Beach Holtekam, Jayapura City, which is planned to take place on Wednesday (09/09). The chairman, Nerlince Wamuar Rollo, said that the festival would utilize local farmers' garden products in Jayapura, especially the Skow Yambe area and its surroundings, such as maize, all kinds of sweet potatoes, vegetables, and other garden products. <https://bit.ly/31Jt8To>
- The Community Welfare Development Foundation (Yapkema) encourages coffee farmers in the Meepago area to increase production. This was proven through the coffee planting movement in Paniai District, supported by the Paniai District Government through the Village Community Empowerment Agency (BPMK) office. The movement involved at least 2,090 farmers from 209 villages in training in coffee cultivation, maintenance, harvesting, and processing. Yapkema Director, Hanok Herison Pigai, really wants coffee cultivation to be developed among farmers in Meepago. <https://bit.ly/3jBW3yT>
- The Jember District Government handed over 273 packages of vegetable seeds, 266 boxes of Boto Hazora, 262 boxes of Mie Gelas, 322 children books, and 750 packages of medicines for Papua. The Head of Jember District released 450 personnel from the Kostrad 515 Raider Yonif troops, who will be on duty at the Kostrad 515 Yonif Raider Headquarters in Papua. <https://bit.ly/3gOU0FL>