Editorial

Dear Readers,

We are currently experiencing the impact of Covid-19 pandemic that hit the world with lots of victims. The people are suffering from this contagious disease that almost every country in all parts of the world has their economic disturbances and affecting severely community social life. The Ministry of Agriculture has announced strong response to such a situation with immediate policies, including the officials at all levels to work from home since 17 March 2020. The situation of agricultural production, food availability and its distribution is closely monitored. Agricultural production activities should be continued amid the threat of this deadly disease.

The Minister and all high officials at the Ministry are kept alerted with condition concerning farm production, harvesting, and marketing and processing activities. Immediate response to issues in relation to Covid-19 and in agro-socioeconomic fields would be carried out by ICASEPS to improve policy decisions and its development.

With all limitations we have, the first issue of this ICASEPS Newsletter in 2020 is published for your reference. We don't know when this dangerous Covid-19 will last, so this is our strong advice: Always use a mask and frequently clean your hand; keep healthy and stay at home. Let's continue supporting one another....

The Editor

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DESIGN OF FINANCING MODELS IN CORPORATE-BASED AGRICULTURAL **DEVELOPMENT AREAS**

Nyak Ilham, Rudi S. Rivai, Mat Syukur, Syahyuti, Annisa R. Rachmita Introduction

Availability of financial support to cover various farm expenses, marketing places, and reasonable prices are among the main problems associated with agricultural management in Indonesia. On the one hand, accessibility to a financial institution with simple procedures, fast, and timely are the next associated expectations for farm loan or credit. On the other hand, farmers are required to improve their farm performances and increase agricultural production. Therefore, for especially smallholding farmers, the availability of farming fund is highly needed to increase farm production.

The increasing trend of land conversion in many regions of fertile land has forced the farmers to look for other potential areas to employ. Swampland is the potential land for this purpose. Farmers who have engaged in this farmland are expected to optimize their farm activities, increase their cropping index, and improve their income. To this end, in 2019, the Indonesian Government has developed a program called Selamatkan Rawa Sejahterakan Petani (SERASI), which means save the swamp and improve farmer's welfare. Such a program has been carried out in the provinces of South Sumatra (200,000 ha), South Kalimantan (120,000 ha), South Sulawesi (33,505,000 ha), Lampung (25,604,000 ha), and Central Kalimantan (25,000

The locations of swampland that are far from the trading center and lack of accessibility cause farmers to pay more input prices and sell cheaper produce, hence require financial support. Swampland development needs to be managed into one area under management of farmers' corporation to achieve efficiency in inputs procurement and product selling.

Objectives and Methodology

The objectives of this research are to (i) analyze the need for agricultural finance in the SERASI Program swamp area; (ii) identify sources and patterns of agricultural financing in the SERASI Program swamp area; (iii) design management of agricultural finance in the SERASI Program swamp area; and (iv) formulate financing policies in the SERASI Program swamp area. The study sites are Banyuasin Regency, South Sumatra Province, and Barito Kuala Regency, South Kalimantan Province.

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Respondents interviewed consisted of 58 policy makers at the central and regional level, 42 representing farmers' economic institutions, and 144 officials and members of Gapoktan. Data and information were analyzed using a descriptive type approach.

Research Findings

The Need for Agricultural Financing in the SERASI Swamp Area

The largest share of farmers' income in the SERASI Program swamp area in Regencies of Banyuasin and Barito Kuala is coming from rice farm, which is 79.96%–87.79% and



45.30%–48.86%, respectively. Regency of Barito Kuala has a smaller share because the planting season is only once a year, using a *sorjan* pattern along with oranges where the share of income is around 27.89%–28.15%.

Grain yield in the two research sites has the potential to increase. In Banyuasin Regency, the potential comes from increasing rice productivity in first and second planting seasons (MT1 and MT2). Meanwhile, in Barito Kuala Regency, it can be increased by improving the productivity of local varieties in MT1 and increasing the cropping index from IP 100 to IP 200. Increasing productivity and cropping index requires additional production cost and absorption cost for increasing additional yields. The total cost for South Sumatra is Rp5.55 T, and for South Kalimantan is Rp3.18 T. These costs are not including the costs for road infrastructure and irrigation improvements.

The Sources of Agricultural Finance and Its Pattern for SERASI Swamp Area

Capital sources of existing rice farming in the two regencies are various. In Banyuasin Regency, Air Salek District, the sources of capital are 55% own capital and 45% loans; in Muara Telang District are 69% and 31%, respectively. In Barito Kuala Regency, Barambai District, each of 86% and 14%, and in Mandastana District are 84% and 16%, respectively.

The performance of the existing micro-financial institutions is still not as expected. Not many farmers use formal and non-formal financial institutions as sources of capital and insure their rice farming. KUR program to support farmers' capital does not involve many farmers. Farmers are willing to finance their farms with loan interest for more than 3% per month, applying *yarnen* payment pattern because their primary income is from seasonal crops.

Design of Agricultural Finance Management in the SERASI Swamp Area

Farmers in the SERASI Program area agree to establish a farmers cooperative to provide a better financial benefit. Most farmers want a legal organization, particularly a primary cooperative that can be developed into a secondary one and later into a limited liability company depending on the needs and business turnover. The cooperative manager is expected to come from the local community and require management guidance from outside. The main requirements for such a cooperative manager are honesty and professionalism.

Cooperative agricultural financing is prioritized for the upstream sector (fertilizer, financing, agricultural services, and seed breeding) with farmers as the target market in the region as well as for the downstream sector (rice) targeting to government and general markets. In the short and medium terms, the source of cooperative funding may come from KUR Program, and it is necessary to get support from village funds that channeled through BUMDES, LKMA, and other existing rural economic institutions (KEPs). The payment pattern for input costs applies the *yarnen* system, and the purchase pattern uses a cash system (cash before delivery-CBD).

The model of farmer cooperative separates the cooperative management unit from the economic institutions of well-performing farmers in the region. At the macro level, the two components constitute a harmonious unit under the coordination of the farmers' cooperative management unit and gradually unite the leading business units in KEPs and expand the scope of the work area.

Policy Implications

The Importance of Agricultural Finance in the SERASI Swamp Area

Potential to increase productivity and cropping index in tidal swamps area can be done by applying fertilizer and lime, controlling pests and disease, water management, and soil tillage with appropriate techniques and time. This potential can be implemented through program facilities, such as SLPTT (integrated crop management field school), and conducting demonstration farms adapted to local socio-economic and biophysical conditions such that local farmers can adopt them. Water management is needed to ensure water availability and reduce land acidity, balanced use of fertilizer and agricultural lime, controlling plant-disturbing organisms with a simultaneous planting schedule, and officers' assistance for farmers, as well as financing for inputs procurement and yield marketing. The existence of potentially high-yielding Petnam and Tewe varieties in Banyuasin needs to be developed further.

Number of additional production costs and grain absorption may vary depending on productivity, production use, and capital sources of farmers. For this reason, there is a need for preliminary studies for new development areas to provide more accurate information to ensure better program sustainability. Only few farmers have improved the cropping index in MT3. Some existing commodities and potential markets are the basis for their development. Some prospective commodities are corn for animal feed, sweet potatoes, and vegetables. Cattle can also be developed due to the availability of rice bran and straw as feed and manure as by-products can be used to improve land quality, especially for vegetables.

The economic potential of existing farmers needs to be identified for strengthening through technical assistance (*Bimtek*). *Bimtek* can be implemented through cooperation among ministries/ institutions, namely the Ministry of Agriculture, the Ministry of Villages, the Ministry of Cooperatives and SMEs, and the Ministry of Home Affairs. *Bimtek* activities should not only be carried out ceremonially but through an internship, within 2-3 months as needed. In particular, the Ministry of Cooperatives and SMEs can conduct technical assistance for bookkeeping and management of cooperative-based economic institutions.

PUAP funds managed by Gapoktan can be developed to become a legal entity of LKMA through guidance and technical assistance by the Ministry of Agriculture, the Ministry of Cooperatives-SMEs, and Financial Service Authority (OJK). The existing UPJA is fostered by the Ministry of Agriculture to

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be a profit-oriented business unit. The established KUB should continuously be developed so that it can access financial resources and do a profitable business. The Ministry of Village conducts guidance and *Bimtek* to BUMDES managers. Harmony among Ministries/Institutions at the central level should continue to be done up to the field level.

So far, most of the farming funding comes from farmers. However, external funding is still needed to support an increase in cropping index, rice yield, and business diversification. This support can be obtained from various sources with various interest rates. For farmers, the interest rate is not the main consideration. What important for them is the loan terms, simple conditions, and the payment pattern is *yarnen* (at harvest time).

Prospect of KUR to fund farming and AUTP to protect rice farming in the context of farmers' welfare is considered good. Therefore, it should be further enhanced, such as facilitation by BUMDES management in Telang Rejo Village, Muara Telang Sub District, Banyuasin Regency. Besides, relevant official agencies at the central and regional levels can encourage farmers' motivation and prevent the possibility of improper actions by certain elements. Socialization activities involving related parties still need to improve. Existing PPL, PKL, and KEP should play active roles and routinely hold meetings with KUR and Jasindo to increase farmers' access to this subsidy program.

Design of Agricultural Financing Management



The business potential to be realized soon by the farmers' cooperative is fertilizer distributor such as carried out by ANPER MBN in Rawamerta Sub District, Karawang District. The cooperative can also absorb (purchase) farmers' grain and

processes it into rice for sale, provide financing and input services. It is expected that the business potential in the initial stages gets support from various related parties.

The farmers' cooperative management is a separate part of the existing KEP. Formation mechanism should involve PEM elements with a good business track record and HR performance. However, the existing PEM in the area continues to run with unified management coordinated harmoniously by farmer cooperative management. Cooperative managers take precedence over local parties with honest and professional criteria and need guidance, assistance, and supervision regularly.

The existence of the farmer cooperative management unit is expected to improve farmers' welfare in the region. Therefore, this unit must get great access to financing and marketing sources and own a vast network. In the short term, the source of farmers' cooperative financing can come from KUR funds, Village Funds, LKMA funds, and other KEP in the region. Rice marketing can be conducted with central and regional governments to supply the needs of government employees (ASN), Rice Program (BPNT), and the public market.

There are three options for farmers' cooperative institutions in the SERASI area, namely (1) secondary cooperatives formed from the association of primary cooperatives consisting of individual farmers. The origin is from the Farmers' Association. Existing farmer's group associations at the SERASI area can form a primary cooperative; (2) Limited Company (PT) established by all primary cooperatives (incarnation of Farmers Association) in the SERASI area. Limited company owners or

shareholders are primary cooperatives that consist of all farmers; and (3) Limited Company, but capital ownership comes from farmers who are members of the Farmers' Association or primary cooperatives in the area, and capital comes from an outsider. The choice of outside institutions is PT Mitra BUMDES Nusantara (PT MBN) with 51% farmer shareholding (Gapoktan & BUMDES) and PT MBN 49%.

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DESIGN AND IMPLEMENTATION OF FOOD CROP AND VEGETABLE FARM BUSINESS CONSOLIDATION

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Introduction

Regional-based agricultural development is depicted in the Minister of Agriculture Regulation (*Permentan*) No. 56/2016. This is followed by the Ministry of Agriculture Decree (*Kepmentan*) No. 830/2016 on national agriculture regional development locations, and *Kepmentan* No. 18/2018 on guide for farmers' corporation-based agricultural regional development. This type of agricultural development aims to optimize domestic resources and logistic distribution for improving farm business productivity, added value, and farmers' income. It will be implemented through a Consolidated Farm Business Management (KPUT).

KPUT will increase the efficiency and effectiveness of agricultural machinery, improve farm input and output distribution, enhance farmers' bargaining power, and reduce production and price risks. KPUT will also boost agro-industry as raw material supply becomes more assured. This study aims to formulate supporting policy on consolidated farm business development.

Results and Discussion

Internally, the farm business role in the household economy tends to decrease, and the agingfarmers phenomenon is

more significant. Performances of Farmers' Group (*Poktan*) and Farmers' Group Federation (*Gapoktan*) is less optimal. The applied agricultural technology is mostly constant returns to scale.

Externally, the supporting factors include government programs of water resource development, agricultural mechanization, and subsidized inputs distribution. The other factors are KPUT development initiated with aid and accompaniment carried out by the financial institution (central bank, commercial banks), Corporate Social Responsibility (CSR) funds of State-Own Companies (BUMN), Regional Government-Own Companies (BUMD), and private companies, as well as the partnership between *Poktan/Gapoktan* with private companies. KPUT institution design consists of five stages, i.e. (i) problem, constraint, and outlook analysis; (ii) establishment, revitalization, strengthening; (iii) management; (iv) development; and (v) integrating into agricultural region.

Using a discount rate at 12% and 10-year period, the analyzes show that rice KPUT at Poktan/Gapoktan levels, corn KPUT at

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Gapoktan and Corporation levels, potato KPUT partnership at Poktan and Gapoktan levels are financially feasible. The main variables affecting financial feasibility are different yields and output prices between before and after the consolidation. The financial feasibility is also affected by more efficient land cultivation cost of rice farming and marketing cost. Net present value (NPV) is not affected by scale of economy or area size. To some extent, however, KPUT with a bigger scale of economy is less sensitive to external shocks. Larger-scale KPUT is also costly management. Other important aspects of KPUT establishment are (1) homogeneity of crops grown, (2) farm area topography, (3) farmers' closeness in managing farm business related with water resource, mechanization, and pest and disease control, (4) agriculture infrastructure, (5) rural economy structure, (6) farmers' interest, and (7) landholding.

KPUT establishment consists of determining working area, strengthening the stakeholders, and synchronized with local government. KPUT implementation includes various management aspects, i.e., land and water, farm business, supply chain, and risks. Strengthening KPUT is based on its strength, weakness, opportunity, and threat (SWOT). It needs reliable, accountable data as well as integrating into the agricultural region, comprises collaboration among related institutions and stakeholders.

KPUT's types and scales are various, and its sustainability depends on its ability to an existing environment. It is feasible if KPUT's management can conduct coordination integrally and vertically in



each working region. KPUT should be self-reliant and integrated into cooperative or Village-Own Business (BUMDES). Some KPUT's critical points are financial feasibility, the scale of economy, commodity types, water and land management, agricultural machinery management, entrepreneurship, group cohesion, intangible benefit, and government policy.

Policy Implication

Internal factors of Poktan/Gapoktan for establishing KPUT are not strong enough. Government or private aid is urgent, and it should be a multiyear program. KPUT's activity types may vary following each financial feasibility. Government policy and program for supporting KPUT consist of regulation, infrastructure, capital access, agricultural machinery aid, and accompaniment.

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Policy Development

- 3. Develop buffer stock of 11 main food crops in each province.
- 4. Conduct labor intensive in 34 provinces as well as regencies/cities.
- 5. Provide social safety net.
- 6. Develop markets and farmer's store and partnership business in 34 provinces.
- B. Temporary Agenda (Mid-Term)
 - 1. Maximize export values.
 - 2. Second phase of labor intensive for rice, corn, soybean, and sago intensification activities.
 - 3. All people who return to their respective homeland, including those who previously farmers but now unemployed to be supported with adequate and appropriate seed.
 - 4. Anticipate drought and support marginal land or disadvantage areas.
 - 5. Keep agricultural working in high spirit with the support of agricultural inputs and machineries.
- C. Permanent Agenda (Long-Term)
 - 1. Increase agricultural production at 7% annually.
 - 2. Achieve three-fold of export.
 - 3. Reduce the agricultural losses to 5%.
 - 4. Number of millennial farmers to become 5.2 million.
 - 5. Increase the farmer's terms of trade ratio to 103.
 - 6. Extensification for food crops in peatlands and swampland and optimize the existing extensification land of 600,000 ha for rice crops to meet 1.5 million tons of production.
 - 7. Develop of B-30 and palm oil.

For the abovementioned strategies, the Ministry of Agriculture are prepared to:

STRATEGY OF THE MINISTRY OF AGRICULTURE TO FACE THE IMPACT OF COVID-19

A quick response from the Ministry of Agriculture to confront the impact of Covid-19 has been announced. Strongly encouraged by the Minister of Agriculture, there are six major tasks to be clearly understood and implemented by all Ministry's employees. These major tasks have also been elaborated in more operational activities.



- 1. All the Ministry of Agriculture employees are requested to continue to work hard and durable with high spirits to achieve food self-reliance for all people.
- Increase national production based on peasant agriculture and in favor of smallholder farmers.
- 3. Optimization of land and home garden with food crops to feed the households.
- 4. Mapping food insecurity regions and precisely allocate their food requirements.
- 5. Creating the efficiency of agricultural product marketing chain and market alignments to farmers.
- 6. Keep the farmers in healthy and safe with high spirit to ensure sustainable production.
- A. Emergency Agenda
 - 1. Poultry produced by smallholder farmers to be bought by trade partners with cold storage facility provided by the government.
 - 2. Increase farmers' terms of trade ratio toward the level of 103.

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- 1. Support and accelerate the program of production input services (seeds, machineries, fertilizers, feed and medicine/vaccine for livestock, and other inputs) to farming communities to provide foods for 267 million of Indonesian.
- Accelerate agricultural production, specifically through intensive labor (irrigation systems improvement, planting, pests and diseases control, and harvesting movement activities) by hiring those who are unemployed due to the economic impact of pandemic Covid-19.
- 3. Encourage the distribution ease of major food crops (rice, corn, shallot, garlic, big chili, small chili, beef/water buffalo, chicken, egg, sugar, and edible oil) and export commodities (swift nest, CPO, coffee, pepper, and other agricultural export commodities) in regard to efforts to meet people's main foods demand, and increase of government income.

OMNIBUS LAW ON JOB CREATION IN AGRICUTURE SECTOR



One of the obstacles faced by Indonesia, especially in economic development, is the various rules and regulations that adopted and applied at central and local levels that many times overlap. This condition causes lots of

problems, either in public service access, including facilities to ease business activities or job creation. This hot issue has attracted many concerns at which the member of parliaments and related executive agencies have intensively hold meetings to formulate a new regulation popularly known as Omnibus Law on Job Creation (Omnibus Law). What is the Omnibus Law? Omnibus Law is an effort or a process of formulation of

a new regulation to replace more than one of the currently effective regulations.

Initiated by the government, the formulation of Omnibus Law has included several laws in the agriculture sector. In this regard, ICASEPS has been assigned to study the impact perspective of Omnibus Law towards investment, export, and job opportunity in the agriculture sector. There are eight agricultural-related laws to be included in the draft of Omnibus Law, namely:

- 1. Law No. 29/2000 on Protection of Crop Varieties
- Law No 18/2009 on Animal Husbandry and Animal Health and Law No. 44/2014 on the Amendment of Law No. 18/2009
- 3. Law No. 41/2009 on Protection of Sustainable Food and Agriculture Land
- 4. Law No. 13/2010 on Horticulture Crops
- 5. Law No. 18/2002 on Food Crops
- 6. Law No. 13/2013 on Farmer's Protection and Empowerment
- 7. Law No. 39/2014 on Estate Crops
- 8. Law No. 22/2019 on Sustainable Agricultural Production Systems.

In general, out of these eight laws to be included in the Omnibus Law would cover the following aspects: (a) licensing, (b) investment, (c) import, in its linkage with WTO regulations, (d) authority of Civil Servant Investigators, and (e) penalty. By and large, the study revealed that the changes and or removal of the articles in these agriculture-related laws have its impact on the increase of investment in agribusiness, provide job opportunities, and absorb workforce growth in Indonesia. In the next step, it is expected that the agriculture sector could increase the availability of raw materials for the development of agriculture-based industries to boost agriculture-based products competitiveness that encourages higher agricultural export values.

Research Activities

ICASEPS RESEARCH IN 2020

ICASEPS conducts seven research titles this year, as shown in the following list. This number is less than that of in 2019 (twelve titles). In 2020, ICASEPS decided to provide more immediate policy responses resulting from various small and focus assignments for agricultural policy development.

- Strategi Penumbuhan dan Pengembangan Kelembagaan Ekonomi Petani Berbasis Kawasan Pertanian (Strategy to Grow and Develop Agriculture Regional-based Farmers' Economic Institutions) (Syahyuti, Handewi P. Saliem, Tri Pranadji, Kurnia S. Indraningsih, HerlinaTarigan, Roosganda Elizabeth, Sri Suharyono, Annisa R. Rachmita)
- Kinerja dan Manfaat Adopsi Teknologi Tanaman Pangan dan Peternakan Hasil Badan Penelitian dan Pengembangan Pertanian (Performance and Benefit of Food Crops and Animal Husbandry Technology Adoption Introduced by the Agency for Agricultural Research and Development) (Adang Agustian, Achmad Suryana, Dewa K. Sadra, Sunarsih, Chairul Muslim, Resty P. Perdana)
- 3. Strategi Peningkatan Produksi Pangan Utama Berkelanjutan (Strategy to Increase Sustainable Main Food Production) (Ening Ariningsih, Mewa Ariani, Rudy S. Rivai, Cut R.

- Adawiyah, Kartika S. Septanti, Benny Rachman, Tahlim Sudaryanto)
- 4. Pengoptimalan Pemanfaatan Kredit Usaha Rakyat Mendukung Peningkatan Produksi Pangan (Optimizing the People's Business Credit Utilization to Support Food Production Enhancement) (Nyak Ilham, Mat Syukur, Endro Gunawan, Sahat M. Pasaribu, Sri Wahyuni, Julia F. Sinuraya, Sri H. Suhartini)
- Strategi dan Kebijakan Peningkatan Eksport Kelapa dan Lada (Strategy and Policy to Increase Coconut and Pepper Exports) (Helena Juliani Purba, Erwidodo, Delima H. Azahari, Valeriana Darwis, Frans B. Marojahan, Juni Hestina, Eddy S. Yusuf)
- 6. Strategi Peningkatan Investasi Pertanian (Strategy to Increase Agricultural Investments) (Saktyanu K. Dermoredjo, Pantjar Simatupang, Bambang Irawan, Bambang Sayaka, Gabriela Susilowati, Yonas H. Saputra, Miftahul Azis)
- Dinamika Sosial Ekonomi Perdesaan (PATANAS): Studi Panel di Berbagai Agroekosistem (Dynamics of Rural Socioeconomic (PATANAS): A Panel Study in Various Agroecosystems) (Sri H. Susilowati, Sumaryanto, Saptana, Ashari, Sumedi, Erma Suryani, Tri B. Purwantini, Iwan S. Anugerah, M. Maulana, M. Suryadi, Ahmad M. Ar-Rozy, Fajri S. Nida, Deri Hidayat, Rika R. Rachmawati)

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ICASEPS VIRTUAL MEETING IN RESPONSE TO COVID-19 PANDEMIC

Many meetings have been carried out separately by each research team after the enactment of working from home (WFH) policy since March 2020. After these virtual meetings with limited participants, especially attended by office management or specific discussions with researchers, ICASEPS held similar meeting with all of its employees on 20 April 2020. Using zoom application, this meeting to respond to the pandemic coronavirus disease was welcomed with enthusiasm by all participants. Chaired by Director of ICASEPS, the meeting agenda were (a) reformulation (refocus) the allocated research budget, (b) administration ease during the WFH, and (c) follow up action for continuation of research activities.



Refocusing of the budget is not only applied to research institutions but all ministries and other government institutions to provide sufficient budget to cover related expenses in dealing with the pandemic

Covid-19. Ministry of Agriculture has refocused its annual budget in March 2020 and has been requested for the second time after the experience of previous huge spending to ease the impact of this harmful disease. The first saving was amounted to about USD230 billion (IDR3.5 trillion), and the second (May 2020) would be even larger at around USD475 billion (IDR7.1 trillion). As one of the government institutions, ICASEPS should share a certain amount from the allocated budget in 2020. This means that each research title would have to save significant figures cutting off from, particularly the travel budget.

In response to the Covid-19 disease, the Ministry of Finance has also eased some of the administrative procedures related to budgeting and expenses, as well as some relaxations for various financial-related regulations. With WFH policy, such administrative matters would allow government institutions to make some adjustments without actions against specific regulations and keep the office work following the new rules.

When will this pandemic Covid-19 be over? No one knows, and this is something very undesirable global phenomenon with indefinite time for which everyone is encouraged to cope with wisely. The government has been doing significant actions for the country and the people, to avoid the worse condition caused by such disease or reduce its negative impact to the lowest level possible. To our concern, as a government research institution, every research team is encouraged to thoroughly evaluate the overall research activities with a strong review of each title's objectives, methodology, and topics to discuss within the research. Reasonable scenarios with plan A or plan B to deal with the research requirements would be down to the researchers to decide. Fieldwork is the main nature task for each research title at ICASEPS. Therefore, Scenario 1 could be with the assumption that field visit would be carried out in July-August 2020, what will happen to research activities? Scenario 2 probably that the field visit would only be conducted in September-October 2020. What about Scenario 3 that field data collection would not be allowed until December 2020, the final month of the 2020 fiscal year? These are examples of scenarios for which research activities should be considered amid the Covid-19 pandemic. Meanwhile, for each collaborative research between ICASEPS and certain donors, it is encouraged to discuss every possible scenario and closely communicate any adjustments to make to optimize the research results.

ICASEPS Publications

JOURNAL REACCREDITATION



Lately, the accredited journal is very important as it will show that your publication is widely recognized, and your journal is globally acknowledged. It is also essential for researchers as they will expect higher recognition for their articles through such publications, from which the examiners would release significant evaluation values if the researchers are about to achieve higher civil ranks or functional ranks

in their respective research institutes. The journal, on the other hand, has its accredited validity period to ensure that this particular publication is well managed, regularly published, and meeting the stipulated standard.

The **Jurnal Agro Ekonomi** (JAE), one of the long time high standard publications of ICASEPS, also follows such accreditation steps. The validity of this biannual accredited journal has approached its final year and needs to be renewed. JAE (printed version) has been formally awarded the first accreditation by the issuance of a formal certificate in 2015 by the Indonesian Institute of Sciences (LIPI) No. 645/AU3/P2MI-LIPI/07/2015. The second accreditation has also been successfully awarded to JAE with high recognition as it had achieved the Sinta 2 level, a reputable national level for

publication with a certificate No. 21/E/KPT/2018 on July 9, 2018, issued by the Ministry of Research, Technology, and Higher Education. JAE is now promoted to have five years of the validity period, counted from the number of published journal entries that are of high value.

Since the application of the OJS system on JAE, the

accreditation application will follow the Arjuna (*Akreditasi Jurnal Nasional*) procedures that require only one issue of such publication instead of two as previously applied. JAE has submitted Volume 37 No. 2 (November 2019) to the Ministry of Research,



Technology, and Higher Education for evaluation. Why propose the publication of the year 2019? This is to anticipate if that volume is considered inappropriate for evaluation to the rank of Sinta 2. Then, as time permits, Volume 38 No. 1 that will be published in May 2020, could be submitted instead of the previous one. ICASEPS needs to ensure that the accreditation for Sinta 2, the minimum level to achieve by this journal, would be handed over within this year.

For this accreditation proposal, all required documents have been well prepared, including the E-ISSN, coverage of the journal, ethics of publication, scientific procedures for Vol. 13 No. 1, April 2020 Page 7

publication, frequency of publication with DOI of each article for the exchange and integration of data to link to other various indexing database, and the value of our self-assessment. All other requirements are quite details, but these also have been well prepared prior to its submission.

Following its standard procedures, after the acceptance of administration requirements, each journal will be examined by some assessors (management and material/substance). The

result could be accessed through the SINTA portal (http://sinta2.ristekdikti. go.id) at which one could see the evaluation results and the level of the evaluated journal (level of Sinta 1 to Sinta 6). With all of these requirements and considering the abovementioned internal self-assessment, we expect that JAE could achieve the same level, Sinta 2, and continue its reputation as an accredited national journal in agro-socioeconomic field for the next five year.

ICASEPS News

ICASEPS ON 2020 WORK MEETING

On 19–21 February 2020 ICASEPS organized a work meeting cum social gathering under the reasonably ambitious but achievable theme "Implementation of the Can Do Spirit in Accelerating ICASEPS Working Performance." This event was held in Purwokerto, Central Java, and officially opened by Dr. Sudi Mardianto, the Director of ICASEPS. By the end of the meeting of the first day, all ICASEPS employees signed the Integrity Pact to mark the commitment of ICASEPS to always work with high spirit and strong cooperation.



On the next day, a coordination meeting was held with four Heads of Agriculture Services at the regency level, namely Banyumas, Banjarnegara, Purbalingga, and Purworejo. This kick-off meeting was obligatory to

assist the local level agricultural development activities at which ICASEPS was assigned by the Ministry of Agriculture to supervise and to guard various agricultural development activities in these regions closely. Parallel to this meeting, another important gathering was held to strengthen the ICASEPS organization in achieving the mandate through insightful works. Fieldwork was organized afterward to visit the Center for Superior Livestock Breeding and Baturraden Animal Feed Forage (BBPTUHPT).

The third day came, the day of social gathering. Fun games activity was carried out to significantly strengthen the sense of kinship that ICASEPS had built since its establishment, 'can do spirit', both on the completion of work as well as on social relationships. The work meeting was ended up with joyful heart, fruitful relations, and a strong commitment to 'can do spirit' among the ICASEPS family.

ICASEPS COOPERATION WITH REGIONAL AGRICULTURAL SERVICES

By the end of 2019, the Ministry of Agriculture launched a program called "Supervision and Assistance in Carrying Out Ministry's Main Activities at Regional Level." This Program is equipped with required legal documents along with general guidance stipulated through the issuance of Minister of Agriculture's Regulation No. 7/2020. In the implementation stage, the person in charge for each province is the head of an institution of echelon 1 or 2 and similarly, for each regency level would be the head of an institution of echelon 2 or 3. ICASEPS has been assigned to lead the implementation activities in four regencies in Central Java Province, namely regencies of

Banyumas, Purworejo, Banjarnegara, and Purbalingga. The person in charge of Central Java Province is the Director General of Horticultural Crops. For ICASEPS, however, this program is a kind of cooperation rather than supervision at which the four regencies are treated as partners.

ICASEPS has initiated a communication for cooperation with the four regencies, and on 20 February 2020, it had a chance to hold the first coordination meeting in Purwokerto, Banyumas Regency. The meeting with four head of Agriculture Services in each of those regencies has led to a strong commitment to set reasonable plan and implementation strategies according to the availability of resources in each regency. However, after the outbreak of Covid-19 pandemic, the coordination meetings with the four heads of Agriculture Services was a bit disturbed, but found an appropriate solution, thanks to the use of technology enabling productive meetings through video conferences.



Vicon with Head of Agric. Services of Banjarnegara Regency



Vicon with Head of Agric. Services of Purworejo Regency



Vicon with Head of Agric. Services of Purbalingga Regency



Vicon with Head of Agric. Services of Banyumas Regency

The cooperation activities are directed to monitor and, at the same time to help the person assigned to implement the Ministry's programs at their respective regencies to ensure the smoothness of the programs and that these programs' performances are measurable during the period of 2020 to 2024. The Ministry's program performances for these regions consisted of 11 indicators, namely:

- 1. Increase of production to at least 7% annually.
- 2. Increase of agriculture export values by 300% in 2024.
- 3. Reduction of agricultural production losses up to 5% until 2024.

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- 4. Increase number of MSMEs in agriculture to 7.879 by 2024
- 5. Increase of young generation to become millennial farmers at 500,000 per year.
- Arrangements of agriculture credit (KUR) discharge up to IDR50 trillion per year.
- 7. Decrease the food insecurity regions to 10% by 2024.
- 8. Stunting prevalence become 14% in 2024.
- Increase of agriculture investment value by IDR 200 trillion up to 2024.
- 10. Increase of the absorption of task force in agriculture by 50 million up to 2024.
- 11. Function of 5.648 Agricultural Extension Institute to support the activities of agricultural strategy command and Agriculture War Room (AWR) along with various programs of the Ministry of Agriculture up to 2024.

WELCOME



We are very happy to welcome back our colleague Mr. Sri Suharyono to ICASEPS after he finalized his study and graduated from the Rural Sociology Graduate Program of IPB University at which he was awarded a master's degree (February 2020). His thesis entitled: Social Relations and Resilience of the Mount Merapi Eruption Victims Community in Permanent Shelter (*Relasi Sosial dan Resiliensi Komunitas Korban Erupsi*

Gunung Merapi di Hunian Tetap). The excerpt of his thesis is as follow.

The eruption of Mount Merapi in 2010 has eliminated the solidities of Bakalan and damaged several surrounding hamlets. Upon this incident, the government then relocated residents who were victims of the eruption of Mount Merapi to the Permanent Residence area. The relocation was intended to reduce the number of victims in the future and restore the living conditions of victims of the eruption of Mount Merapi as before. But relocation actually brings new problems, such as loss of productive resources including land, loss of income and livelihoods, declining cultural culture and mutual in society, damaging modes of production and ways of life, affecting kinship and organization and social networks, causing environmental problems and poverty, threaten the cultural identity of ethnic groups. His study has five objectives: (1) analyzing the forms of social relations that occur in the

community of Mount Merapi eruption victims in Permanent Shelter; (2) analyzing the strength of the resources contained in the Mount Merapi eruption community in Permanent Shelter capable of supporting recovery life after disaster; (3) analyzing the adaptation capacity of Mount Merapi eruption communities in Permanent Shelter capable of supporting life recovery after the disaster; (4) analyzing the resilience of Mount Merapi eruption victims in Permanent Shelter; (5) analyzing the role of social relations in the formation of resilience Mount Merapi eruption victims community in Permanent Residence. His research location was Kuwang Randusari permanent residence, Argomulyo Village, Cangkringan Sub District, Sleman Regency, Yogyakarta.

The results of the analysis revealed that (1) the forms of social relations that exist in the Mount Merapi eruption victims are associative, including social gathering, practice, patrol, and livestock group meetings; (2) the strength of the resources contained in the Mount Merapi eruption victims relocated in the subsystem including good ecology, fertile soil, good water sources, and abundant minerals (sand and stone).

In the economic subsystem, the choice of work apart from farming is raising livestock, mining (sand), and tourism. Unfortunately, there are obstacles for the community to access these economic resources. In terms of the physical infrastructure subsystem, all public facilities are in good condition. The civil society subsystem in the community is fine; this was seen from the familiarity and strong social relations within the community. However, the governance subsystem is of poor value. The management of hunting that has not been able to unite residents from different villages make the strength of resources in the governance subsystem is weak. In this context, (3) adaptation capacity includes three components, institutional memory in the community is not good because this is the first time they have experienced relocation, and there is no sharing of experiences from other communities. Innovative learning is low because they have not been able to overcome the encountered difficulties jointly. Difficulties were faced individually, with no joint action. In this connection, the internal social relations of the community were classified as good since such an event could strengthen the bonds between them. Meanwhile, external social relations are also good, as seen from the willingness to help from the community at the beginning of occupying many permanent residences originating from outside. Next, (4) community resilience that occurs in the category of sufficiently resilient, based on the strength of existing resources and adaptive capacity; and (5) social relations formed in huntap communities because they are thinking positively. This is a supporter of the resilience of the Mount Merapi eruption victims relocated to the permanent resettlement.





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