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Agro-Socioeconomic Newsletter

Indonesian Center for Agricultural Socio Economic and Policy Studies (ICASEPS)

Editorial

Dear Readers,

The problems in the food system are very complex, and this Newsletter presents information about these difficulties and how to respond to the situation at some level. As the host of the G-20 meeting 2022, various obstacles were raised to show the importance of food availability and accessibility, with high recognition from each member country.

Information about import policies for food commodities is prepared for your reference, so as the implementation of sustainable food agricultural land protection. These two topics have become hot issues at the national level. Apart from that, this newsletter also contains some of the latest news which we think will be of interest to you.

Thank you
The Editor

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Policy Update

FOLLOW-UP PROGRAMS ON THE IMPLEMENTATION OF THE G-20 DECLARATION ON AGRI-FOOD SYSTEMS

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Introduction

Indonesia received global attention when it hosted the G-20 meeting in 2022. At this meeting, the Agriculture Working Group (AWG) carried the theme "Balancing Food Production and Trade to Fulfill Food for All" and produced a chair's summary at the Agriculture Ministers' on September 28, 2022, in Denpasar, Bali. This meeting agreed on 21 of the 22 paragraphs that have been the subject of diplomacy among G20 countries, permanent guest countries, and international organizations.

The narrative built into each paragraph approved in the G-20 Chairs' Summary reflects the priority interests of G20 member countries in developing the agricultural sector, especially agri-food systems. The issues proposed by the Ministry of Agriculture as the person in charge of the AWG also reflect this development.

The three main issues raised by the Indonesian Presidency in the AWG are (1) building resilient and sustainable food and agriculture systems, (2) accelerating the transformation of food and agriculture systems towards resilient and sustainable agriculture, and (3) encouraging innovative agricultural entrepreneurship through digital agriculture to improve the livelihoods of farmers in rural areas. Although non-binding, the agreement in the paragraph shows the commitment of member countries, which in turn can be followed up through various agricultural development programs in their respective countries, including Indonesia, in this case, the Ministry of Agriculture.

Level of Awareness and Implementation of G-20 Declaration at the Technical Working Unit in the Ministry of Agriculture

Generally, the level of understanding of the substance of the G-20 declaration (awareness) at technical work units is still low. This is because the process of preparing the declaration is not followed by an adequate socialization process in each stage, and this condition has an impact on the absence of a special mandate and not maximizing the direction of the leadership in each work unit to follow up / implement the results of the

declaration into programs or activities. Moreover, the technical work units were not directly involved in identifying issues in the development of the G-20 declaration. The unavailability of a regular communication platform and audience between the drafting team and the relevant technical working units affected the level of engagement in each paragraph and the follow-up steps that must be taken after the declaration is agreed upon.

Maximum involvement and participation provide different responses. This is shown by technical work units that were fully involved in drafting the declaration text from the beginning, such as the Directorate General of Animal Health for One Health and antimicrobial resistance (AMR) issues, the Agricultural Land Resources Center, and the Standard Instrumentation Testing Center.

Compatibility of the Main Points of the G-20 Declaration with the Ministry of Agriculture's Strategic Plan/Annual Work Plan

Some of the main points of the declaration have not been accommodated yet within the Ministry of Agriculture's Strategic Plan (*Renstra Kementerian Pertanian*) or Annual Work Plan, including the transformation of food and agricultural systems, which requires the role of innovation in various forms, adequate funding, adaptation to local conditions and indigenous capacity. At the moment, there are considerable challenges to realizing the above points, such as the lack of concrete cooperation between the ministry and technology-creating institutions. After reforming the research and development management system, Indonesia is experiencing challenges in terms of institutional structure, especially the absence of institutions that bridge research/innovation with users.

The issue of food loss, which has been included in the Ministry of Agriculture's Strategic Plan, has become a major concern of G-20 member countries. The main issue raised is the large gap in data and information availability and measurement methods that can be harmonized between G-20 members. Regional cooperation is needed to accelerate the implementation of programs related to food loss and waste and their measurement methods. The commitment of each country to provide data and information, as well as cooperation to harmonize food loss and waste measurement methods, are targets that must be monitored at each group meeting.

Synergy Between the National Agricultural Development Vision (Agricultural Vision 2045) and the Main Points of the G-20 Declaration

The three main issues adopted in the G-20 Chair's Summary of the Indonesian Presidency largely align with agricultural policy reforms to achieve the agricultural vision 2045. The Agricultural Development 2045 launched by the Ministry of National Development Planning/National Development Planning Agency appears to be very much in line with the commitments made by Indonesia at the G-20 forum. One of them is that the modernization of the agricultural sector can only be done through the transformation of sustainable food and agricultural systems.

In achieving the Agriculture Vision 2045, it is necessary to reform agricultural development policies. Five agricultural policies have been launched and support the implementation of the G-20 declaration points, namely:

a. Reform various assistance in the agricultural sector to encourage competition and impact on efficiency;
b. Replace input subsidies with investments in research and development; it is hoped that this change, accompanied by technical assistance, will succeed in increasing the adoption rate;
c. Diversify various forms of government assistance in the agricultural sector towards the development of high-value crops and post-harvest activities that have the potential to encourage value-added creation;
d. Adopt policies that support the implementation of climate-smart agriculture;
e. Provide a broader range of policy solutions to problems in the implementation of sustainable agriculture.

Policy Recommendations

In relation to the above development agenda, the points of the G-20 declaration that are relevant and considered to be prioritized for implementation are as follows:

a. Building resilient and sustainable food and agriculture systems by:

1. Accelerating the transformation of food and agriculture systems by prioritizing sustainable agriculture programs/activities that support food security and nutrition, poverty alleviation, and increase food system resilience. The narrative of this declaration is in line with the direction of the RPJMN 2024-2029, which encourages the transformation of the food system, which is directed towards a food system that is healthy, nutritious, inclusive, equitable, sustainable, and resilient.
2. Accelerating the principle of one health and antimicrobial resistance (AMR) through policy support and government responsibility to increase access to quality, safe, and healthy food. This effort aligns with the narrative of food system transformation that prioritizes nutritious food aspects.
3. Anticipating the vulnerability of agriculture and food systems due to climate change through climate-smart agriculture and increasing the agricultural sector's resilience to various global pressures that impact supply and price stability.

b. Promoting the creation of open, transparent, and predictable food trade to ensure food availability and affordability for all by:

1. Increasing the usage of data (domestic and international, as well as those released by G-20 platforms such as AMIS and GEOGLAM) to increase transparency and global market support. It is imperative to provide valid domestic data through appropriate and robust methodologies. Production data is the starting point for the formulation of various agricultural policies. Data produced by the relevant echelon-1 within the Ministry of Agriculture needs to be validated for accuracy and methodology.

2. Strengthening the implementation of multilateral trading system rules by prioritizing aspects of sustainable agriculture following World Trade Organization (WTO) regulations. Understanding the WTO rules will help the government avoid issuing policies that contradict the WTO, help transform food and agriculture systems, and promote food independence between regions in Indonesia.

c. Encourage innovative agricultural entrepreneurship through digital farming to improve the livelihood of farmers in rural areas by:

1. Accelerating digital transformation and agricultural innovation and increasing farmers' access to digital-based technologies and extension methods.
2. Implementing agricultural digitalization in various collaborations to improve farmers' and stakeholders' connectivity, affordability, and capacity.

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RUSHING THE FOOD KNOCK OF THE NUSANTARA CAPITAL CITY

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Introduction

The National Strategic Area (KSN) of Nusantara Capital City (IKN) will be built on 324,332 hectares, consisting of 256,142 hectares of land and 68,188 hectares of water. The land area is divided into 62,851 hectares of IKN Area (KIKN) and 199,962 hectares of IKN Development Area (KPIKN). KIKN has a Government Center Core Area (KIPP) of 6,671 hectares. There are 54 existing villages/sub-districts included in the IKN delineation, namely, 15 villages/sub-districts in Penajam Paser Utara (PPU) District and 39 villages/sub-districts in Kutai Kartanegara District (Kukar). IKN development will be divided into nine Planning Areas (WP). WPs in KIKN are KIPP WP, West IKN WP, East IKN WP 1, East IKN WP 2, North IKN WP, and South IKN WP. KPIKN has three WPs: Simpang Samboja WP, Kuala Samboja WP, and Muara Jawa WP.

The development of IKN, apart from being directed to become a smart city, will also be directed to become a "Sustainable Forest City." In a land area of 256,142 hectares, 173,526 hectares (67.75%) will be designated as protected areas, and 82,617 hectares (32.25%) will be designated as cultivation areas (Presidential Regulation No. 64/2022). The portion of the food crop area, which is the allocation of land for agricultural cultivation, is 42,003 hectares or approximately 16.4% of the total land area of IKN. The allocation of food agricultural land in the IKN area was carried out by establishing a Spatial Detail Plan (RDTR) in the WP: 2,096 hectares in the West IKN WP, 13 hectares in the South IKN WP, 3,084 hectares in the East IKN WP-1, 456 hectares in the Simpang Samboja WP, 618 hectares in the Kuala Samboja WP, and 2,218 hectares in the Muara Jawa WP. The total allocation of agricultural land for food determined through the RDTR is only approximately 8,485 hectares. There are still approximately 33,518 hectares that have not been designated, which spatially should be in the IKN environmental buffer and food security areas.

The current challenge is to fulfill food needs as the population increases. Another challenge is that agricultural activities and programs sourced from the district budget delineated in IKN are very limited. Food prices have increased with the number of people in the IKN area, around 15 thousand, who are part of the workforce for development projects. The rise in food prices indicates reduced food availability relative to increased demand. The same is not expected to happen when population migration to IKN increases, as projected in Presidential Regulation No. 63/2022. Thus, efforts are needed to hasten the food provision process, along with the development of KSN IKN.

Methodology

Primary and secondary data were used in this study. Primary data were collected from February to June 2023 in Balikpapan City, Samarinda City, PPU District, Kukar District (East Kalimantan Province), Parepare City, Makassar City (South Sulawesi Province), and DKI Jakarta Province. Primary data were obtained through in-depth interviews with the selected respondents. Respondents were food policymakers in the study locations (leaders of Food and Agriculture Offices, Trade Offices, BULOG, ID Food, and Quarantine Centers and Stations) as well as crucial food trade stakeholders (wholesalers in production centers, wholesalers in consumption centers, and retailers). Secondary data were collected from the relevant literature, such as journals, agency reports, and research reports. The data were analyzed using a quantitative descriptive method.

Results and Discussion

Food Needs of East Kalimantan and IKN

IKN indirectly encouraged increased food consumption in the East Kalimantan region. In 2024, the total food demand of East Kalimantan Province will be 285.3 thousand tons of rice, 25.78 thousand tons of soybeans, 2.52 thousand tons of curly red chili, 8.99 thousand tons of cayenne pepper, 146.34 thousand tons of shallots, 11.01 thousand tons of beef, 53.61 thousand tons of broiler meat, 49.64 thousand tons of broiler eggs, 43.34 thousand tons of sugar, and 46.21 thousand tons of cooking oil. This number continues to grow with the increase in population and economic activity, especially in districts/cities that coincide with the IKN area.

The food needs in the IKN region were relatively high. The food needs that must be provided by 2024 are 37.5 thousand tons of rice, 3.15 thousand tons of soybeans, 1.01 thousand tons of curly red chili, 1.17 thousand tons of cayenne pepper, 14.79 thousand tons of shallots, 3.43 thousand tons of beef, 6.8 thousand tons of broiler meat, 6.92 thousand tons of eggs, 4.57 thousand tons of sugar, and 6.86 thousand tons of cooking oil. As development progresses and the population moves to IKN, food demand increases considerably, especially during 2024-2029. The average increase in food demand during this period ranges from 35.08% per year (shallots) to 130.53% per year (beef). The rise in food demand begins to slope in 2029−2045 as the additional population projected to migrate to IKN decreases.

Food Production Potential of IKN

Sources of food production in IKN are divided into (a) food production from IKN-delineated areas and (b) food production from all districts/cities in East Kalimantan Province, especially districts/cities that coincide with IKN areas. The IKN-delineated areas are agricultural production centers in their respective home districts. The Sepaku Sub-district, along with the Babulu Sub-district, is a production center for rice and bird's-eye chilies in the PPU District, as well as the Samboja Sub-district, which is a production center for bird's-eye chilies and curly red chilies in the Kukar District. Despite being production centers, strategic food commodities are still supplied from outside the region to meet their needs.

In East Kalimantan Province, the producing centers of strategic agricultural commodities are also located in districts/cities that coincide with the IKN area. Kukar District, PPU District, Paser District, Balikpapan City, and Samarinda City are rice production centers. Rice production from the five districts/cities reached 85.35% of the total rice production in East Kalimantan Province. Regarding vegetable commodities, the five cities/districts contributed 82.45% to shallot production, 78.44% to cayenne pepper production, and 91.23% to curly red pepper production. Regarding livestock commodities, the five districts/cities contributed 68.75% to beef production in East Kalimantan Province. Although the first ring of the IKN buffer significantly contributes to the agricultural production of strategic commodities, the amount is still insufficient, considering that the level of consumption and population in the five districts/cities is also quite large.

Food Trade Chain in IKN

With insufficient production of strategic food commodities within East Kalimantan Province, food needs are supplied from buffer provinces with high production levels at relatively close distances. Based on inter-island trade traffic data sourced from the Indonesian Quarantine Full Automatic System (IQFAST), it is known that food supplies entering East Kalimantan Province are primarily sourced from South Sulawesi and East Java Provinces. Meanwhile, food supplies by land were mainly sourced from South Kalimantan Province.

The primary source of rice commodities comes from the ports of Parepare and Surabaya. Others are sourced from Jakarta's port, an ex-imported rice. In 2022, the total entry of rice was 78.94 thousand tons (equivalent to 58.45% of the East Kalimantan rice production). The primary sources of vegetable commodities are Parepare and Surabaya for shallots and Makassar and Surabaya for chili. In livestock commodities, food supply sources are pretty diverse, and broiler chicken meat is sourced from all Java and South Sulawesi provinces. The beef came from the Banten, Jakarta, West Java, and East Java provinces. Live cattle come from NTT and all provinces in Sulawesi. Eggs were obtained from the South Sulawesi and East Java provinces. This condition indicates that the stability of the supply and price of strategic food commodities in the IKN region is strongly influenced by the dynamics of production in these areas and the efficiency of the trade chain.

Due to the high dependence on food from outside Kalimantan Island, inter-island trade is key to the food supply to IKN. The efficiency of a food commodity's trade chain can be seen from its length. Generally, the food trade chain for IKN follows the following pattern.

1. For non-imported food: producers (in production center districts) → collectors (in production center districts) → inter-island wholesalers (in production center areas: South Sulawesi and East Java) → wholesalers (in Samarinda/Balikpapan City) → retailers (in IKN areas) → final consumers (neighborhoods and hotels, restaurants, and cafes (HORECA));
2. For imported food: food importers (generally in Jakarta and Surabaya) → distributors (transporting food to Samarinda/Balikpapan cities) → wholesalers (in Samarinda/Balikpapan cities) → retailers (in the IKN area) → final consumers (neighborhoods and convenience stores).

East Kalimantan Regional Government Food Reserves

The Perum BULOG East Kalimantan Regional Office manages the Regional Government Food Reserve (CPPD) of East Kalimantan Province. The CPPD, organized by the BULOG Regional Office of East Kalimantan, only manages rice. The amount of CPPD in the East Kalimantan Regional Office as of May 2023 was 660 tons. Some district/city CPPDs can geographically buffer the IKN area, namely, Balikpapan City (35.79 tons), Samarinda City (13.35 tons), Kukar District (45.49 tons), PPU District (22 tons), Paser District (45.34 tons), and the East Kalimantan Regional Office warehouse located in Balikpapan City (222.42 tons). Thus, the total CPPD of the five districts/cities was 384.39 tons. By 2024, the proportion of CPPD in the four districts/cities to the overall rice demand in the IKN area will be only 1.02%, which is a very small amount.

Policy Recommendations

Food demand, which is projected to increase owing to the development of KSN IKN in East Kalimantan Province, needs to be balanced with adequate food supply efforts. The nodes of food provision need to be rushed so that when the time comes for an increase in food demand, they are already working automatically. There are three essential nodes in food supply, namely, food production, food reserves, and food trade, which are described as follows:

1. Mapping and land suitability tests are required for the nine WPs and the environmental and food security buffer areas.
2. Ensure the IKN Development Project does not affect Rice Fields (LBS) and Sustainable Food Agricultural Land (LP2B).
3. The IKN authority needs to establish food reserves in the IKN area and the area around it in terms of commodity type and amount.
4. Increase the filled capacity of BULOG warehouses in the East Kalimantan-Kaltara Regional Office, especially in warehouses close to the IKN area (PPU District, Balikpapan City, and Samarinda City)
5. Food state-owned enterprises (Food SOEs) or BUMN Pangan (Perum BULOG and ID Food) build food reserve infrastructures, such as warehouses, cold storage, cold chains, and controller atmosphere storage, especially for commodities other than rice.

6. Establish three food regional-owned enterprises (Food ROEs) or BUMD Pangan to facilitate and smoothen food trade with three different business concentrations:
   a. BUMD Pangan has a rice business concentration, including a rice milling industry and a wholesale market business unit.
   b. BUMD Pangan has a meat business concentration that includes livestock business units, slaughterhouses (RPH), poultry slaughterhouses (RPU), and the meat processing industry.
   c. BUMD Pangan is engaged in a food trading business that manages the entire network of wholesale and large markets in IKN, both traditional and modern.

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Policy Development

IMPORT POLICY ON THE MAIN FOOD COMMODITIES

Prior to implementing food import policies, the government must carefully consider domestic production capacity, national food security reserves, and potential national economic impacts. While import restrictions can protect domestic farmers, they may also be disadvantageous to consumers. Import controls have been implemented to safeguard and empower domestic farmers. However, careful consideration is necessary to address potential unintended consequences. For instance, reduced corn imports might inadvertently increase wheat imports for livestock feed. Additionally, given sufficient domestic production, importing specific rice products, such as rice groats, may be unnecessary. Implementing strategic import tariffs is crucial to balance the protection of domestic farmers with consumer interests.

The implementation of corn import restrictions has led to a surge in wheat imports for feed production, raising concerns about potential leakage from the food to the feed sector. This issue is exacerbated by distinct Harmonized System (HS) codes for food and feed-grade wheat (1001.99.12 and 1001.99.99, respectively), with only feed-grade wheat subject to import tariffs. Conversely, corn imports for both feed and industrial purposes share the same HS code (1005.90.90), complicating efforts to monitor end-use. A thorough analysis of export-import data of Statistics of Raw Material Manufacturing Industry published by BPS-Statistics Indonesia is crucial to address these complexities.

Rice imports consist of specific rice for certain consumers, broken rice for rice flour manufacturers, and glutinous rice. Between 2019 and 2021, broken rice constituted the overwhelming majority (80−96%) of rice imports, catering primarily to industrial demand and not satisfying consumers' demand. The remaining imported rice was small and had a negligible impact on domestic rice prices.

An import tariff is another instrument to control food import subject to (i) tariff bound notified by WTO, (ii) non-tariff mechanism transformed into tariff (nominal value), and (iii) use of safeguard mechanisms to deal with negative impacts of trade liberalization. Indonesia's bound tariffs are higher than those applied. The tariffs can still adjust as long as following (i) the Most Favored Nations, i.e., trade policy is non-discriminatory, and (ii) the Legally Binding Tariffs for all commodities traded. For example, the bound tariff for soybeans is 27%, but its applied tariff is 0%. Enhancing soybeans import tariff must consider national interests such as the retail prices of its processed products, (iii) National Treatment, i.e., equal treatment between imported and domestically produced commodities, and (iv) Special and Differential Treatment for Developing Countries.

It is recommended that food be imported for domestic food security. However, in terms of trade, the government needs to consider domestic producers' benefits and consumers' power of purchase. Enhancing commodity exports should be implemented to improve competitiveness and foreign exchange earnings, along with using the Special and Differential Treatment for Developing Countries.

Policy Issues

DEVELOPMENT PROSPECTS OF THE NATIONAL SUGAR INDUSTRY

Introduction

Sugar is a critical commodity in Indonesia, underpinned by Presidential Decree No. 71 of 2015, as amended by Decree No. 59 of 2020. Despite increasing domestic demand, the nation faces a sugar deficit due to insufficient production. Addressing this challenge requires a multifaceted approach encompassing on-farm, off-farm, and institutional improvements.

To meet the nation's sugar consumption demands, the Directorate General of Plantations has outlined several strategic initiatives. These include identifying suitable lands for sugarcane cultivation, repurposing abandoned HGU land, modernizing existing sugar mills, establishing new sugar factories, and strengthening partnerships between sugar mills and farmers.

This study aims to comprehensively evaluate the national sugar industry's performance, identify its challenges and opportunities, and develop strategic recommendations. The focus will be on assessing industry performance, analyzing existing policies, and formulating policy alternatives to enhance the sector's development.

The study locations were the DKI Jakarta and Malang Regency, East Java Province. Respondents were selected

purposively, consisting of (1) Directorate of Seasonal Crops and Spices, Directorate General of Plantations, Ministry of Agriculture; (2) Directorate of Food, Sea Products and Fisheries Industry, Ministry of Industry; (3) Directorate General of Foreign Trade, Ministry of Trade; (4) Indonesian Sugar Association (AGI); (5) sugar factory; (6) experts; and (7) other related agencies. At the provincial and district level, the city is the sector that handles sugarcane and sugar commodities. At the sub-district and village levels, there were (1) Sugarcane Farmers Association, (2) KUD, and (3) farmers. Data and information were analyzed using a descriptive approach and SWOT analysis.

Existing Condition

Between 2010 and 2022, average sugarcane land area and production declined for both smallholders and large private plantations. Conversely, large state-owned plantations expanded their land holdings. While overall sugar production fluctuated during this period, the industry encountered positive average growth.

Generally, the yield of private sugar processing units (PGs) is higher than that of state-owned PGs located both in Java and outside Java. Raw sugar imports have an increasing trend in the period 2012–2022. The export value of raw sugar in 2022 will also increase compared to the export value in 2021. The average international sugar price described by white sugar continues to grow from 2018−2022. This also aligns with the domestic market sugar prices increase during 2018−2022.

Policies that support the growth and development of the national sugar industry are crucial. These policies should include the provision of sugarcane farming lands, policies to regulate sugarcane and sugar prices, investment policies for the sugar industry, availability of raw materials, and sugar trade policies. Based on the SWOT analysis, it has been determined that the national sugar industry is in quadrant IV. This means that the sugar industry is facing constraints not only on external factors but also on internal resources. To overcome these challenges, a defensive strategy should be implemented. This involves minimizing weaknesses and avoiding potential threats.

Policy Recommendation

Increasing domestic production, including through (1) on-farm strengthening: improving the distribution of appropriate and targeted facilities and infrastructure, optimizing land (intensification), and expanding planting areas (extensification) by utilizing production areas on land owned by Perhutani/SOE, control of pests and the impact of climate change, (2) strengthening cultivation research (certified and location-specific superior seeds), (3) post-harvest strengthening through a zoning/reionization system approach for the presence of PG with partner farmers (maximum distance 60 km) and increasing PG milling capacity through machine revitalization, as well as (4) strengthening farmer capacity through optimizing communication, information and education media in addition to preparing millennial farmers as an effort to regenerate farmers due to aging farming and migration of human resources to non-agriculture.

Strengthening farmer institutions and financing support and protection of farming businesses, including assistance and technical guidance from extension officers and PG, as well as using KUR funds for farmer capital, have become priorities. Moreover, accelerating the development and rehabilitation of infrastructure, such as irrigation and farm roads, by the Ministry of Public Works and Housing is strongly suggested. It is also strongly recommended to strengthen national sugar reserves/stocks, improve trading channels. and increase the capacity of related BULOG/SOE to absorb farmers' sugar at competitive prices, benefiting producers and consumers.

ICASEPS Publications

Analisis Kebijakan Pertanian Vol 21 No. 1, June 2023

1. *Kinerja Ketahanan Pangan Indonesia: Pembelajaran dari Penilaian dengan Kriteria Global dan Nasional* (Indonesian Food Security Performance: Lesson Learned from the Assessment with Global and National Criteria) (Tono, Mewa Ariani, Achmad Suryana)
2. *Strategi Percepatan Sertifikasi ISPO di Perkebunan Kelapa Sawit Swadaya* (ISPO Certification Acceleration Strategies for Independent Oil Palm Plantations) (Syaiful Hadi, Djaimi Bakce, Didi Muwardi, Jum'arti Yusri, Fanny Septya)
3. *Peningkatan Produktivitas Lahan Pekebun Melalui Sertifikasi Kelapa Sawit Berkelanjutan di Indonesia* (Smallholders' Land Productivity Improvement through Sustainable Palm Oil Certification in Indonesia) (Andreas Budi Rahutomo, Mahawan Karuniasa, Evi Frimawaty)
4. *Keberlanjutan Agroindustri Penggilingan Padi Skala Besar di Kabupaten Subang, Jawa Barat* (Sustainability of Large-Scale Rice Milling in Subang District, West Java) (Norma Dewi K, Trisna Insan Noor, Lucyana Trimo)
5. *Keberlanjutan Korporasi Petani Jagung di Kabupaten Bandung, Jawa Barat* (Sustainability of Corn Farmer Corporation in Bandung District, West Java) (Gusti Reza Puspita, Tuti Karyani, Iwan Setiawan)
6. *Keberlanjutan Agribisnis Vanili di Kabupaten Sumedang, Jawa Barat* (Sustainability of Vanilla Agribusiness in Sumedang Regency, West Java) (Darma Setiawan, Iwan Setiawan, Eliana Wulandari)
7. *Alternatif Kebijakan dalam Pembangunan Pertanian Berkelanjutan di Provinsi Papua* (Policy Alternatives in Sustainable Agricultural Development in Papua Province) (Rachmaeny Indahyani, La Maga)
8. *Rekayasa Sosial pada Usaha Tani Beresponsif Gender di Kawasan Program Food Estate, Provinsi Kalimantan Tengah* (Social Engineering on Gender Responsive Farming Businesses in Food Estate Program Area, Central Kalimantan Province) (Rizghina Ikhwan, Syahyuti, Sri Suharyono)

THE 2ND ICANARD CONFERENCE "RESILIENT AGRICULTURE AND THE ROLE OF RICE IN RURAL DEVELOPMENT"

The Indonesian Center for Agricultural Socio-Economic and Policy Studies (ICASEPS), in collaboration with the Indonesian Society of Agricultural Economics (ISAE), has organized the Second International Conference on Agriculture, Natural Resources, and Rural Development (2nd ICANaRD) with the theme "Enabling Policies towards Resilient Agriculture and Sustainable Rural Development: The Importance of Rice in Food Systems." The conference took place over two days (October 17−18, 2023) at the IPB International Convention Center, Bogor, Indonesia. The conference was held in person on the first day and conducted virtually on the second day.

The conference theme is highly significant, considering rice is the staple food for most people in Indonesia and Asia. However, providing rice as a staple food faces increasingly complex challenges, especially in relation to global climate change and geopolitical conflicts in various regions.

The conference was opened by the Director General of the Agency for Agricultural Extension and Human Resource Development (BPSDMP), Dr. Dedi Nursyamsi, who stated that the issue of sustainable food security is critical and the agricultural sector must adapt to improve its performance amid the impact of global climate change and geopolitical issues. To counteract the impact of El Nino, more efforts are needed to increase rice production. These efforts include the resources of land and water. Acting Minister of Agriculture Arief Prasetyo Adi also mentioned in his keynote speech, "Government support is needed to produce synergy and align the efficiency of food production as well as resilient actions through effective coordination and institutional support to food producers and companies. These efforts should be complemented by improvements in public infrastructure, better access to credit and market information, and supportive policies in the production system and food supply chain to expedite recovery."

On the first day of the conference, October 17, 2023, presentations related to policy and rice production achievements were made by the Directorate General of Food Crops of the Ministry of Agriculture and the Embassies of the Republic of Indonesia in seven major rice-producing countries: Thailand, Vietnam, China, the Philippines, Bangladesh, Japan, and Egypt. Additionally, there were Special Lectures from international organizations like the International Food Policy Research Institute (IFPRI) and the Food and Agriculture Organization (FAO). Several international institutions (World Bank and ERIA) and professional organizations (ISAE) also participated as discussants. Conference participants included stakeholders from both national and international scopes, such as state-owned enterprises, academia, international organizations, professional organizations, business actors, the private sector, and other related institutions.

To address the current impact of El Nino, President Joko Widodo has ordered the Ministry of Agriculture and other related ministries to double domestic rice production to meet national needs. This effort requires a focus on two things. First, preparation for the upcoming rice planting season (November-December 2023) through coordination and synergy between the Ministry of Agriculture, other ministries/agencies, the private sector, and state-owned enterprises. This will ensure the availability of land and water for rice cultivation, the availability of superior seed varieties and fertilizers, and integrated pest and disease control. Second, field officers, especially agricultural extension workers, must be active and intensive in assisting farmers, particularly in adopting innovative technologies throughout the planting season, from planting to harvest. Through these joint efforts, it is believed that Indonesia can meet its rice needs from domestic production, maintain adequate rice reserves, and ensure food price stability throughout the year across Indonesia.

On the second day of the conference, 50 supporting papers were presented virtually. The authors came from various ministries/agencies and universities. The topics of the supporting papers covered various socio-economic aspects and policies related to production, post-harvest and processing, marketing, value chains, agribusiness, international trade, agricultural infrastructure, mechanization, gender mainstreaming, empowerment of millennial farmers, small-scale enterprises, agricultural institutions, agricultural financing, climate change, digital agriculture, and other related issues.

Through this international conference, it is hoped that information and experiences will be exchanged about the socio-economic conditions and policies related to rice production in rice-producing countries. Furthermore, all materials discussed in the conference can serve as learning resources in managing and policy-making for rice.

NATIONAL MEETING FOR EVALUATION OF REGIONAL FOOD BALANCE PROGNOSIS

A national meeting to evaluate the prognosis of regional food balances in 2023 was held in Bali by the National Food Agency (Bapanas) on September 13−15, 2023. This activity was attended by representatives of provincial Food Security Services throughout Indonesia. The meeting aims to share information and knowledge related to regional food balances. The sources come from the BPS-Statistics Indonesia and the Center for Agricultural Socio-Economic and Agricultural Policy (ICASEPS).

Material presented by Dr. Erma Suryani of ICASEPS regarding the results of the Banten Province food balance study carried out in 2023 and the lessons learned from the results of this

study. The results of the food balance study submitted by ICASEPS include (1) findings related to the process of preparing food balances at the provincial and district/city levels, (2) proposals for improving data collection on food availability and needs, and (3) policy recommendations for improving the food balance in Banten Province and at the study location.

In the discussion session, several participants said that the preparation of food balance sheets did not meet the ideal formulation. Data on food availability only considers production, while data on food needs only takes into account household food consumption, which refers to data from the National Socio-Economic Survey (Susenas) issued by BPS. The ideal formulation for compiling food availability data includes stock, production, and trade in and out of the region. Meanwhile, data on regional food needs should take into account household and non-household consumption, such as consumption in hotels, restaurants, catering (horeka), hospitals, correctional institutions, dormitories/Islamic boarding schools, and the food industry.

The results of this meeting have opened the participants' insight and understanding of preparing regional food balances. Following this meeting, it is hoped that each representative of the Food Security Service will gradually begin to make improvements, referring to the ideal formulation, in compiling data on food availability and needs in their respective regions.

WORKSHOP ON EVALUATION AND MONITORING OF THE IMPLEMENTATION OF THE MINISTRY OF AGRICULTURE'S PROGRAMS IN FOUR DISTRICTS IN CENTRAL JAVA

ICASEPS has been assigned to support the Ministry's strategic programs in four districts in Central Java, namely Banyumas, Banjarnegara, Purworejo, and Purbalingga. The assistance for farmers includes support for providing agricultural infrastructure and facilities to promote the application of agricultural technologies developed by the Agricultural Extension Center (BPP). ICASEPS organized a workshop titled "Effectiveness of BPP's Role to Support the Main Activities of the Ministry of Agriculture's Program" in this connection. The workshop was implemented on September 27, 2023, in Purwokerto.

In his welcome speech, the Director of ICASEPS, Dr. Sudi Mardianto, emphasized the need to continuously improve the performance of strategic commodities, including improving coffee and coconut seeds, technical guidance with cultivation facilities for honey pumpkin, and working technology for durians, among others. The workshop was officially opened by the Secretary-General of the Ministry of Agriculture, who appreciated ICASEPS and the support team for helping the farmers improve their farm performances. He also highlighted the significant contribution of the agriculture sector to Indonesia's economic growth during the last 3-4 years, particularly during the COVID-19 pandemic. To enhance the agricultural sector's role, he emphasized strengthening agricultural extension functions in several areas: (a) working relationships, (b) institutional framework of agricultural extension at local levels, (c) capacity improvement of extension workers, (d) development of agricultural extension materials, (e) utilizing information and communication technology, and (f) guaranteeing the availability of infrastructure and facilities. These aspects are a joint responsibility of the central government and local governments.

The workshop was attended by 45 participants from the Agricultural Departments and extension workers in Banyumas, Purbalingga, Banjarnegara, and Purworejo. Four representatives from BPP presented evaluations of the 2020−2022 activities and developments in 2023: (1) BPP Sumbang representing Banyumas, (2) BPP Padamara for Purbalingga, (3) BPP Sigaluh for Banjarnegara, and (4) BPP Ngombol for Purworejo.

In a discussion session, Dr. Sumedi from ICASEPS explained the goals of agricultural extension and the importance of evaluating activities. He outlined several steps for effective extension activity evaluation: (1) understanding the goals of the extension that would be evaluated, (2) setting evaluation indicators, (3) developing measurement methods for each indicator, (4) managing data collection, (5) conducting analysis and interpretation of data, and (6) reporting.

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