

(27) KUD KITA

Name of KUD: KUD KITA Category: Mandiri
Location: NTB Province, Sumbawa District, Plampang Kecamatan, Plampang Desa. Total Members: 527 (all full)(M-497 F-30)
Year organised: 1975 Regn No: 339E/BH/XXII dt. 30.10.1981
Achieved Mandiri Status in 1993
Total Employees: 9 (6 full-time, 3 part-time)
Name of Chairman: H.Badurudin Survey Date: 26 Sep 1996
Name of Manager: Ir Syafruddin

SPECIAL CHARACTER OF LOCATION

Site Condition: The KUD is located in the eastern part of the NTB province; 420 km from Mataram, 120 km from Sumbawa; area of operation 5 villages. Average temperature 25-34 C; scanty rains, lack of water, hilly terrain, paddy and soybeans cultivation; 398 ha covered by houses and backyards, 77 ha orchards, 430 ha by small water dams, 1087 ha forests, and 2959 ha wetland paddy area.

In the KUD area 2959 ha wetland paddy area, 202 ha backyards and 826 ha by others. 5-35 meter above sea level. 60 km from Sumbawa Besar district headquarters. Connected with all-season good asphalt road.

Socio-Economic Condition: Total population of KUD area 23,345 (Male 11,813, Female 11,532), total farmers 8,344 (35.7%), (Male 4362 and Female 2982), total membership of KUD 527 (2.25% of the total population). Electricity available, no telephone connection; poor economic condition of farmers; partly transmigration area (mainly from Bali and East Java). Due to severe lack of capital and members' economic condition, farmers often borrow from private money-lender at high rates (6-10% per month). Educational institutions and primary health facilities available.

Type of Agriculture: Wetland paddy cultivation, rest depending on rains. Area mainly dry.

Major Local Industry: No industry of any kind in the area.

HISTORICAL BACKGROUND OF THE KUD

The KUD covers an operational area of 5 villages. It was organised in January 1975 registered in 1981 and achieved Mandiri status in 1993. It responds to the economic and social needs of the inhabitants who are partly transmigrants from Bali and from East Java. The KUD has high acceptability among the members.

CHARACTER OF KUD

The constitution of 527 members is: 90% farmers, 5% traders and farm workers and rest civil servants and others. There are 145 Kelompok Tani (membership averaging between 20 and 25), and 2 women member groups through whom all services of KUD are provided to the members. The KUD collects and processes paddy and delivers it to the Dolog and in the open market in Sumbawa Besar. The main business of the KUD is: rice milling, fertilizer distribution, and payment of electricity bills. It has no waserda. It has 9 TPK (5 organic and 4 non-organic). It has no savings and loans programme.

Services of KUD: Procurement of paddy, rice milling, fertilizer distribution and electricity bills payments.

Major Facilities of the KUD: Office block, one RMU, two warehouses, 9 TPK units (5 organic and 4 non-organic), destroyed paddy drying floor, and 145 KTs.

Business of Members: Paddy, soybeans and corn cultivation.

BUSINESS CONDITION

Total Business Volume	Rp 328.3 m 1995
Total Surplus (SHU)	Rp 5.7 m 1995
KUD-Owned Capital	Rp 39.7 m 1995
Outside Capital	Rp 66.3 m 1995
Total Assets	Rp 106.0 m 1995
Total Institutional Loans Outstanding		Rp 34.2 m 1995
Total Member Loans (Bank Channelling)		Rp 27.0 m 1995
Total Member Loans (Internal S/P)	...	Rp 0.0
Member Savings	Rp 11.8 m 1995
-Initial Membership		Rp 0.5 m
-Compulsory Savings		Rp 10.4 m
-Voluntary Savings		Rp 0.8 m

CURRENT MANAGEMENT OPERATION CONDITION

The KUD is headed by a 3-member Board of Directors elected for a 3-year term by the Members Annual Meeting. A 3-member Board of Supervisors is also elected by the General Meeting for a 3-year term. A Board of Guidance of 6 persons is appointed by the Bupati which meets as and when necessary. The General Meeting meets every year (last meeting held on April 7 1996), the Board of Directors meets at least once a month (last meeting held on Sept 9 1996), and the Board of Supervisors meets every quarter (last meeting held in July 1996). The two elected boards are answerable to the General Meeting. The Board of Supervisors is assisted by the Manager and a staff of the District Cooperative Office, if needed, in the audit of the KUD. There is no internal auditor. The KUD is audited by the KJA - audit fee about Rp 1.2 million, which is quite heavy for the KUD. The KUD has a young and qualified manager (an agriculture graduate).

Marketing and purchasing business is hampered by a serious lack of funds and infrastructure facilities. The only utilization business is 0.5 tons/hour RMU which has been running well. The 20-years old sun-drying platform is already broken and out of use. No communication facilities and no office equipments.

CURRENT PROBLEMS AND SOLVING PLANS

Major problem is capital to improve/expand marketing, purchasing and lending services. Serious manpower shortage. Great need for simple farm machines and transportation equipment. Distribution of consumer goods and farm inputs is hampered due to absence of wasserda and inadequate merchandise in TPKs. The KUD is located on the main road Sumbawa Besar-Bima and has a great potential to run a successful wasserda but capital has been the main problem. The main problems of the KUD have been:

- i. Lack of capital for initiating a savings and loans programme and expanding the business operations of the KUD;
- ii. Serious lack of farm equipment and transportation facilities including building a drying floor and expanding RMU;
- iii. Distribution of consumer goods and farm inputs; and
- iv. Serious lack of communication facilities for the KUD and the community.

FUTURE PLANS FOR DEVELOPMENT

The KUD has developed the following plans for improving its future business:

- i. Procurement of capital for starting savings and loans programme and expanding business on interest-free/soft loan basis;

- ii. Procurement of 1 unit 6/8 ton truck, 5 units of hand tractors and 10 units of hand sprayers to overcome the shortage of manpower and to facilitate transportation of goods;
- iii. Procurement of capital for operating a waserda, wartel and increasing the merchandise of the TPK. The KUD owns a large piece of valuable land on the main road with high economic potentials.

The source of funds has not been identified. The KUD prefers interest-free/soft loans and the present good management intends to make the best use of the funds and farm machines.

GENERAL COMMENTS

The KUD has young and good management leadership. The location of the KUD is in itself a high potential for growth if financial position is facilitated by external loans or grants.

(28) KUD PELITA

Name of KUD: KUD PELITA Category: Mandiri
Location: Province NTB, Kabupaten Sumbawa, Kecamatan Lape Lopok, Desa Dete. No of Members: 1300 (All Full) (Male 940, Female 360)
Year Organised: Dec 1978 Regn No: 202A/BH/XXII dt 12.12.1991
Achieved Mandiri Status in 1992
No of Employees: 14 (All Full-time) (Male 9 Female 5)
Name of Chairman: Mr Abdul Karim Date of Survey: 26 Sept 1996
Name of Manager: Drs Burhanuddin

SPECIFIC CHARACTER OF LOCATION

Site Condition: The KUD is located in the eastern part of NTB province, 360 km east of Mataram, 60 km east of Sumbawa Besar, the district headquarters of Kabupaten Sumbawa. 30-80 meters above sea level. It covers 3 villages. Average temperature 30-35C, dry, hilly terrain, no irrigation in the area. Paddy field cover 5,151 ha, backyards 236 ha, grazing fields 1,456 ha, hilly areas (non-cultivable) 14,204 ha and others 442 ha.

The KUD area well-connected with Mataram by an all-season asphalt road and ferry ride, and by road with Sumbawa Besar, the district headquarters.

Socio-Economic Condition: Total population from 3 villages: 11,921 (male 5843 and female 6078), total farm population 4734 (male 2292 and female 2442) and the total KUD membership 1300 - 10.9% of the total population and 27.4% of the farm population. Electricity, telephone connection, schools, primary health facility, bank and other social institutions available in the area. Poor economic condition of the farmers, manpower shortage, dry and highland area, lack of water for irrigation.

Type of Agriculture: Main production paddy, maize, soybeans, ground nuts and some vegetables. Dry land, hilly terrain, dry farming, partly depending on rains which are scanty.

Major Local Industries: No major industry in the area.

HISTORICAL BACKGROUND OF THE KUD

The KUD covers an operational area of three (3) villages. It was organised in December 1978 and registered on 12 December 1991 vide Regn No. 202A/BH/XXII and achieved the Mandiri Status in 1992. It responds to the economic and social needs of the inhabitants of the area. The KUD has high acceptability among the members.

CHARACTER OF THE KUD

The KUD is a multipurpose rural cooperative institution serving the needs of the farmer-members of three villages. The main business of the KUD is: paddy/food procurement, fertilizer and sugar distribution, rice milling, savings and loans, electricity bills handling, waserda, TPK and wartel. The KUD main office and rice milling facilities are located right on the Sumbawa-Bima main road.

Services of KUD: The main services offered by the KUD to the member-farmers and the community are: rice milling, warehousing, savings and loans, consumer goods and farm inputs distribution, kerosene distribution and other services like wartel and electricity bills handling. No agro-processing is done by the KUD.

Major Facilities of KUD: Office block, rice milling - 2 units, one 0.8 tons/hour and one 0.5 tons per hour capacity, warehouse 200 tons, drying floor, waserda, kerosene oil distribution centre, telephone kiosk, 27 Kelompok Tani (30-80 membership), 6 TPK (4 organic and 2 non-organic), and about 2 ha of land. There are 14 employees in the KUD including the manager.

Business of Members: Paddy, maize, soybeans cultivation.

BUSINESS CONDITION

Total Business Volume	Rp 455.6 m 1995
Total Surplus (SHU)	Rp 1.5 m 1995
KUD-Owned Capital	Rp 33.0 m 1995
Outside Capital	Rp 118.8 m 1995
Total Assets	Rp 151.9 m 1995
Total Institutional Loans Outstanding		Rp 45.6 m 1995
Total Member Loans (Bank Channelling)		Rp 53.5 m 1995
Total Member Loans (Internal S/P)	...	Rp 63.7 m 1995
Member Savings	Rp 11.0 m 1995
-Initial Membership		Rp 5.9 m
-Compulsory Savings		Rp 5.0 m
-Voluntary Savings		Rp 0.3 m

CURRENT MANAGEMENT OPERATION CONDITION

The KUD is headed by a 3-member Board of Directors elected for a 3-year term by the General Meeting. A 3-member Board of Supervision is also elected by the General Meeting for a 3-year term. A 5-member Board of Guidance is appointed by the Bupati for a 3-year term. The General Meeting consists of all full members and meets every year to take note of the report of activities and report from the Board of Supervision/Auditors (last meeting was held on 27 August 1996), the Board of Directors implements the decisions of the General Meeting and meets every month or at least 4 times a year (last meeting January 1996), and the Board of Guidance meets as and when needed. The accounts are audited by the KJA. The KUD has a paid manager. There are seven business units in the cooperative - Savings and Loans, paddy procurement, waserda, rice milling, electricity bills, kerosene oil distribution and farm inputs including machines.

Marketing and purchasing business is hampered by lack of capital and infrastructure facilities. The utilization facilities include two rice milling units - one rice milling unit (0.8 t/h) is damaged, waserda, telecom centre.

CURRENT PROBLEMS AND SOLVING PLANS

Major problem is financial to undertake/expand marketing, purchasing and utilization business. The small Waserda is operating well, because of its location and strategic assortment. There is a acute shortage of manpower in the area. Cultivation is difficult because of natural conditions, potentials are high for livestock development, intensive cultivation with the help of farm machines. KUD finds it difficult to manage transportation of paddy, fertiliser and other goods in the absence of any transportation available to it.

FUTURE PLANS FOR DEVELOPMENT

The KUD has developed plans to meet these demands through modest projects, as follows:

- i. Increasing rice milling capacity by installing a new 1-ton/hour capacity RMU including repairing the damaged one, and improving the warehousing capacity;
- ii. Increasing savings and loans programme;
- iii. Expanding the present waserda into a mini market including expanding the current TPK;
- iv. procuring 2 units of 6-8 ton trucks for transporting rice, consumer goods and other farm inputs; and
- v. Starting a cow fattening programme.

The KUD has not been able to identify any source of funding and has been looking for grants, interest-free/soft loans from external or internal sources.

GENERAL COMMENTS

The KUD has good leadership and is willing to implement the plans in right earnest. The

location of the KUD is a positive aspect.

(29) KUD DORO CUMPA

Name of KUD: DORO CUMPA Category: Mandiri Inti
Location: Province NTB, Kabupaten Dompu, Kecamatan Woja, Desa Kelurahan Kandiadua.
No of Members: 1856 All Full (Male 1206 Female 650)
Year Organised: Feb 1973 Regn No: 371B/BH/XXII dt 19 March 1981
Achieved Mandiri Status in 1991 and Mandiri Inti in 1995
No of Employees: 14 (Full-Time 12 and Part-Time 2)
Name of Chairman: Mr Symsuddin Date of Survey: 27 Sept 1996
Name of Manager: Ir Syrajuddin

SPECIAL CHARACTER OF LOCATION

Site Condition: The KUD is located in the eastern part of NTB province, 500 km from Mataram, provincial capital, and 20 km west from Dompu, the district headquarters. Area of operation 2 villages; average temperature 30-35C; scanty rains; hilly terrain; little irrigation through small hill streams; 40-50 meters above sea level. Area connected by an all-season asphalt road.

Out of a total of 2722 ha cultivable land, the KUD area has 1796 ha of paddy land, 547 ha high lands, 68 ha of pasture land, 84.6 ha of backyards and 226 ha of other kind.

Socio-Economic Condition: Generally poor economic condition of farmers in the area. Total population of KUD area 11,510 (male 5896 and female 5614) and total number of farmers 3,593 (male 1687 and female 1906). The total membership of the KUD 1856 (16.1% of the population and 51.6% of the farmers). Due to poor economic situation of the KUD and members, a large number of members borrow from the local moneylenders at high rates of interest. The area has electricity, telephone, government schools, primary health centre and social institutions. A majority of population depends on farm income.

Type of Agriculture: Dry land farming, very little irrigation, mainly depends on rainfall which is scanty. Main production of the area include paddy, soybeans, com, tobacco and some vegetables. No livestock and poultry activity in the area.

Major Local Industry: No major industry in the area.

HISTORICAL BACKGROUND OF THE KUD

KUD covers an operational area of 2 villages. It was organised on 26th February 1973 and registered vide Regn No. 371B/BH/XXII dated 19th March 1981. It achieved its Mandiri status in 1991 and Mandiri Inti in 1995 and registered as such vide No.26/PAD/KWK.23/II/1996 dated 27th February 1996. The KUD responds to the economic and social needs of the inhabitants. The management has high acceptability among the members and it has been able to provide a number of services to its members.

CHARACTER OF KUD

It is a multipurpose rural cooperative providing marketing, purchasing and utilization services to the members e.g., distribution of farm inputs and consumer goods, procurement of paddy/rice and other food crops, savings and loans etc. The membership comprising 1856 members consist of 80% farmers and farm workers and the rest others. There are 66 Kelompok Tani (membership ranging between 20 and 30), 5 TPK (1 organic and 4 non-organic), through which services of the KUD are provided to the farmer-members. In addition there are 3 women's groups and 3 youth groups. The KUD has established an identity for itself as a means of security and business identify for the community.

Services of KUD: Supply of fertilizer, farm inputs, consumer goods, procurement of paddy/rice, rice milling, savings and loans, electricity bills handling, and wartel.

Major Facilities of KUD: Office block, waserda, 2 units of RMU (0.5 V/hr each), 3 warehouses 360 ton capacity, paddy drying floor, 1 unit 6-ton truck, 66 Kelompok Tani, 5 TPK and 14 employees including manager.

Business of Members: Farming, cultivation of paddy, com, soybeans, tobacco and some vegetables.

BUSINESS CONDITION

Total Business Volume	Rp 673.6 m 1995
Total Surplus (SHU)	Rp 6.7 m 1995
KUD-Owned Capital	Rp 58.1 m 1995
Outside Capital	Rp 82.0 m 1995
Total Assets	Rp 42.6 m 1995
Total institutional Loans Outstanding		Rp 16.4 m 1995
Total Member Loans (Bank Channelling)		Rp 0.0
Total Member Loans (Internal S/P)		Rp 12.5 m 1995
Member Savings	Rp 18.1 m 1995
-Initial Savings		Rp 2.6 m
-Compulsory Savings		Rp 14.7 m
-Voluntary Savings		Rp 0.7 m

CURRENT MANAGEMENT OPERATION CONDITION

The KUD is the only Mandiri Inti in the district and has been regarded as a good management organisation. Its economic condition is still poor and needs assistance to expand/establish new services. The KUD is headed by a 5-member Board of Directors which is elected for a 3-year term by the Members General Meeting. The BOD meets once at least once a month. The General Meeting also elects a 3-member Board of Supervision for a 3-year term which meets once in three months. In addition a 4-member Board of Guidance is appointed by the Bupati for a 3-year term. The General Meeting takes note of the activity report and the audit report (the last meeting was held on 31st March 1996). The last meeting of the BOD was held on 13 Sept 1996, the Board of Supervision in January 1996 and of the Board of Guidance in January 1996. The audit of the KUD is done by KJA. The KUD has a paid manager and 14 employees (12 full time and 2 part time) including the manager.

Marketing, purchasing and utilization business of the KUD is seriously hampered by lack of capital. The only utilization services are: rice milling, warehousing, waserda, wartel, electricity bills handling. The truck is out of use.

CURRENT PROBLEMS AND SOLVING PLANS

Although the KUD is a mandiri inti, yet its main problem has been the lack of capital for improving/expanding its business. There have been heavy demands on the KUD to provide more services. Waserda and wartel are located right on the main Dompur-Bima road, a trans-NTB road. Marketing of farmers produce has been a problem because of long distances to trading centres. The 5 TPK are not able to meet the needs of the farmers. The hilly terrain makes it difficult to cultivate land and transport bulk materials e.g. fertiliser and paddy. The area has a good potential for livestock development, but due to lack of capital this service could not be established.

The KUD has plans to meet these demands through modest projects, as follows: integrated milling units for rice and other food crops including dryers and trucks; procurement of farm machines e.g., hand tractors and sprayers; establishment of livestock development, horticulture and expansion of savings and loans activities; transportation (large and small trucks); and training, education and development of KUD leadership, employees and members (the current level of education fund and education/ training facilities is too low).

FUTURE PLANS FOR DEVELOPMENT

The KUD has developed the following plans for improving/expanding its business activities:

- i. Establishment of a 3 ton/hour capacity integrated rice mill complete with dryers, grading, drying floors, warehouse and transportation equipment;
- ii. Hand tractors, hand sprayers;
- iii. Establishing cattle fattening programme (livestock development), horticulture services and expanding savings and loans activities;
- iv. Truck and mini trucks for transportation of paddy/rice, fertiliser, cattlefeed, cattle and other products; and
- v. Training, development and education of KUD leaders, employees and members.

GENERAL COMMENTS

This is the only Mandiri Inti KUD in the district and has potentials for development. Because of its services and experience and availability of infrastructure, it can prove to be a good institution to generate and accelerate economic development in the area. The location of the KUD is a good factor for development of other KUD as well if interest-free/soft loans and equipment is provided.

(30) KUD RITAM

Name of KUD: KUD RITAM Category: Mandiri
Location: Province NTB, Kabupaten Dompu, Kecamatan Kempo, Desa Sori-Utu. Number of Members: 848 (all full)(Male 611, Female 237)
Year Organised: 1986 Regn No. 761/BH/XXII dated 13 February 1988
Achieved Mandiri Status in January 1993
No of Employees: 14 (Full-Time 8, Part-time 6)
Name of Chairman: Mr Muhd Said Abdollah Survey date: 27 Sep 1996
Name of Manager: Mr Abdul Harris

SPECIAL CHARACTER OF LOCATION

Site Condition: The KUD is located in the eastern part of NTB province. 480 km east of Mataram, province capital of NTB, and 50 km west from Dompu, the district headquarters. The KUD is well connected by an all-season asphalt road with the provincial capital and district headquarters. The KUD covers three (3) villages. Average temperature 28-32C; 30-40 meters above sea level, hilly terrain, mainly dry with scanty rainfall. No irrigation in the area.

The KUD area has a total of 2689 ha of farm land consisting of 643 ha for paddy, 24 ha orchards, 116 ha backyards, 1515 ha pasture land, and 378 ha for other purposes.

Socio-Economic Condition: The total population of KUD area is 10,316 (male 5280 and female 5036), and the total number of farmers is 5469 (male 3285 and female 2184). The total membership of the KUD is 848 (8.2% of the total population and 15.5% of the farm population). Electricity, government school, primary health centre, and other social institutions available. No telephone at the KUD. Poor economic condition of the farmers and KUD members. Due to acute shortage of capital at the KUD and in the absence of banking institutions members often borrow money from local money lenders at high rates of interest.

Type of Agriculture: Dry land cultivation, largely dependent on rainfall which is scanty. Main products of the area: paddy, soybeans, corn, tobacco and big animal livestock development.

Major Local Industry: No major local industry in the area.

HISTORICAL BACKGROUND OF THE KUD

The KUD "RITAM" (Rinjani Tambora) covers three (3) villages. It was organised on 4th October 1986 and registered vide No.761/BH/XXII dated 13th February 1988. The KUD achieved the Mandiri Status in 1993 and registered vide No. 32/PAD/KWK.23/II dated 25 January 1993. It responds to the economic and social needs of the inhabitants of the area.

CHARACTER OF KUD

KUD is a multipurpose rural cooperative. The composition of the current 848 membership is: 85% farmers and farm labour, 10% civil servants and others, and the remaining traders and casual workers. There are 20 kelompok tani, (average membership 10-15 persons), 5 women and other groups (mainly handicrafts), 9 TPK (1 organic and 8 non-organic), through whom all the services are provided by the KUD.

Services of KUD: The KUD main services have been: procurement of paddy/rice and other food-grains, savings and loans, waserda and other services e.g., distribution of consumer goods, farm inputs, rice milling, handling electricity bills and farm machines. The KUD main office is located right on the main road which makes it easily accessible. No agro-processing.

Major Facilities of KUD: Office block, rice milling 1 unit of 0.5 t/hr, waserda 1 unit, 9 TPK, 1 unit tractor, 1 unit truck, warehouse of 50 ton capacity, and 14 employees including the manager (8 full-time and 6 part-time).

Business of Members: Cultivation of paddy, corn, soybeans, tobacco and some chilies. Some

farmers are engaged in livestock rearing.

BUSINESS CONDITION

Total Business Volume	Rp 112.8 m 1995
Total Surplus (SHU)	Rp 3.9 m 1995
KUD-Owned Capital	Rp 62.7 m 1995
Outside Capital	Rp 64.9 m 1995
Total Assets	Rp 127.7 m 1995
Total Institutional Loans Outstanding		Rp 12.0 m 1995
Total Member Loans (Bank Channelling)		Rp 0.0
Total Member Loans (Internal S/P)	...	Rp 6.6 m 1995
Member Savings	Rp 10.8 m 1995
-Initial Savings		Rp 0.8 m
-Compulsory Savings		Rp 10.0 m
-Voluntary Savings		Rp 0.0

CURRENT MANAGEMENT OPERATION CONDITION

The KUD is headed by a 5-member Board of Directors elected for a 3-year term by the Members' General Meeting. A 3-member Board of Supervision is also elected by the General Meeting for a 3-year term. A 3-member Board of Guidance for a 5-year term is appointed by the Bupati. The General Meeting, which is held every year, takes note of the report of activities and the audit report and lays down broad guidelines/plans for organisation and business development (last meeting held on 28 March 1996), the BOD meets once a month or at least four times a year to implement the business and development plans laid down by the General Meeting (last meeting held on 16 August 1996), and the Board of Guidance meets as and when needed. The KUD is audited by the KJA and a routine supervision is done by the Board of Supervisors - both of them are assisted by the Manager and other staff members. There is no internal auditor in the cooperative. The KUD has a paid manager and has three main business units: Credit Unit, General Services and Waserda Unit (including electricity bill handling, rice milling and farm input trading, leasing farm machines), and Food Procurement Unit (paddy collection, milling and marketing).

Marketing, purchasing and utilization business is seriously hampered due to lack of capital and infrastructure facilities. The only utilization business is: rice milling and use of truck. No communication facilities are available with the KUD.

CURRENT PROBLEMS AND SOLVING PLANS

Major problem of the KUD has been a serious lack of capital to undertake/expand marketing and purchasing business. Waserda and RMU have been operating with some success but the volume is so low to be economically advantageous. The area presents good potential for livestock development due to large tracts of open fields for grazing. A number of farmers have been engaged in cattle fattening with some economic benefits. The present level of rice milling, paddy drying floor and warehousing is very low. The conditions in the area are suitable for horticulture development. Farmers need support by way of farm machines and transportation, and expansion of savings and loans activities.

The KUD has plans to meet these needs through the implementation of modest projects, as follows: i. setting-up an integrated RMU with drying floor and warehousing facilities; ii. production and marketing of horticulture products; iii. procurement of farm machines e.g., tractors, trucks; iv. procurement of capital for enhancing savings and loans, wartel and horticulture activities; and v. setting up of cattle fattening programme.

FUTURE PLANS FOR DEVELOPMENT

The KUD has developed the following plans for expansion and improving its future business:

- i. One unit of integrated rice mill together with paddy drying floor and warehousing facilities;
- ii. One unit of heavy duty 4-wheel tractor, one 6-8 ton truck, and a few paddy harvesters;
- iii. Capital for expansion of savings and loans activities, wartel and horticulture activities including improving the working capital of the KUD; and
- iv. Establishing a cattle fattening (livestock development) programme for the members.

The source of funding for the above activities has not been identified. However, the KUD would expect interest-free/soft loan to implement the above proposals.

GENERAL COMMENTS

The KUD has a good management and good intentions to implement the above mentioned proposals. The KUD is willing to provide land and local resources to match the external funding.

(31) KUD TUNTUNG PANDANG

NAME OF KUD : TUNTUNG PANDANG / CATEGORY : MANDIRI INTI

LOCATION : Province : South Kalimantan / NO. MEMBERS :
Kabupaten : Barito Kuara - Full : 2.025
Kecamatan : Mandas Yona - Candidate : 928

YR ORGANIZED : 1978 / REG. DATE : 1982 / REG. NO. : 1182.d/BH/IX

NO. EMPLOYEES : Full Time : 13 / Part Time : 23

NAME OF : CHAIRMAN : Mulyadi / Survey Date : 26-9-1996
MANAGER : Drs. M. Zahedi

SPECIFIC CHARACTER OF LOCATION :

- Site Condition :

Southern part of South Kalimantan. Tropical climate zone and swamp area Located at 20 km North from the capital city of Banjarmasin. High temperature and acid soil. Kalimantan Crossing Road is under construction.

- Socio - economic Condition :

No. of DESA is 17. Population - 6,389, The average annual income per household is 750.000 Rp. Electricity - 100%, TV Sets - 70%, No city water supply, No telephone available. No tourism resources. The total land area is 15,555 Ha of which paddy field is 10,543 Ha.

- Type of Agriculture :

Paddy farming is the major activity. Irrigation system is not established and depending water for rain fall and increase of water in the Barito river. They produce paddy once a year. A transplantation season is in May and harvest from September to October. Yielding is 2 tons/Ha. Farmers are also producing small amounts of coconut, banana, mango and cassava.

- Major Local Industries :

Handi craft of horse rush, carpet and others. Horse rush is produced in paddy field which converted from paddy.

HISTORICAL BACKGROUND OF KUD :

There were farmers' group established in 1972 and KUD in that area established in 1973. The present KUD was established through amalgamation of the farmer's group and the old KUD in 1978 and registered in 1982. Since then, the KUD changed its registration number for more than two times. Designated as KUD MANDIRI in 1990 and MANDIRI INTI in 1995. During the period of 1990 and 1995, there was miss appropriation of the KUD money by one of the officials and it became the loss of the KUD. At present the KUD is gradually recovering the loss.

CHARACTER OF KUD :

- Service of KUD :

The main business is the supply of fertilizer by the Government programme, the fertilizer business has a share of 97% of the total business volume. The other business and commodities handled by the KUD are, small retail shops, lime stone, sugar, Rice Milling, collection of electricity bills. The KUD has been running power generator and supplied electricity to the members until May 1996. However, the KUD has stopped the power supply as the Electric Power Corporation has started supply of electricity in the area from May 1996.

-Major Facilities of KUD :

Head office, 2 RMU, 8 TPK (delivery points of fertilizer), two retail shops, two warehouses and one branch office in Banjarmasin. .

- Business of members : Paddy farming and horse rush processing

BUSINESS CONDITIONS:

- Total Business Volume:	Rp 2,346.2	Million / Year : 1995
- Total Surplus (SHU) :	Rp 2.8	Million / Year : 1995
- KUD-Owned Capital :	Rp 244.8	Million / Year : 1995
- Outside Capital :	Rp 199.6	Million / Year : 1995
- Total Assets :	Rp 444.5	Million / Year : 1995
- Deficits carried over :	Rp 35.2	Million / Year : 1995
- Total Institutional Loans Outstanding :	Rp 0	Million / Year : 1995
- Total Member Loans (Bank Channelling) :	Rp 35.7	Million / Year : 1995
- Total Member Loans (Internal -S/P) :	Rp 3.5	Million / Year : 1995
Member Savings :		
- Initial Membership :	Rp 6.4	Million / Year : 1995
- Compulsory Savings :	Rp 7.5	Million / Year : 1995
- Voluntary Savings :	Rp 12.5	Million / Year : 1995
Total Savings :	Rp 26.1	Million

CURRENT MANAGEMENT OPERATION CONDITION:

The major business of the KUD is to supply of fertilizer and also the KUD is engaged in retail shop, TPK, RMU and credit business including voluntary savings. The ratio of members to the total population engaged in farming is 79% while the ratio of member farm households to the total farm households is 57%. The KUD extends services to 17 DESA for 2,025 members with 13 employees. The KUD has created the surplus fund in both fiscal 1994 and 1995, however, the important task is how to solve the deficit carried over of 35.2 Million Rp and uncollected repayment of KUT and KCK loan amount to 21.7 Million Rp. The ratio of own capital to the total assets is 55.1 % which is relatively high. The ratio of the surplus fund to the total assets is 0.6% , the ratio of the surplus fund to own capital is 1.1% and the ratio of a surplus fund to the total business volume is 0.1%, thus the profitability is comparatively low.

CURRENT PROBLEMS AND SOLVING PLAN:

The repair of Rice Mill or introduction of a truck is difficult due to lack of funds. Shortage of personnel who knows management of cooperative. TPK is not established in all DESA yet and the KUD cannot provide services to all members.

FUTURE PLANS FOR DEVELOPMENT :

Although, the perspective planning is not established yet, the KUD has a target to start operation of gasoline station in the occasion of opening of the South Kalimantan Crossing Road. Also, they have plan for introduction of truck for transportation of rice and obtaining license for mining lime stone in Surabaya in response to the increasing needs of lime stone in the area.

GENERAL COMMENTS :

The KUD is located in swamp area, single cropping of paddy, the main business is supply of fertilizer. The KUD has a strong volition to develop business.

(32) KUD BIMA SENA

NAME OF KUD : BIMA SENA

/ CATEGORY : MANDIRI

LOCATION : Province : South Kalimantan / NO. MEMBERS :
Kabupaten : Barito Kuara - Full : 212
Kecamatan : TABUNGANEN - Candidate : -

YR ORGANIZED : 1983 / REG. DATE : 18-6-1986 / REG. NO. : 1706/BH/IX

NO. EMPLOYEES : Full Time : 4 / Part Time : 0

NAME OF : CHAIRMAN : Mujianto / Survey Date : 1-10-1996
MANAGER :

SPECIFIC CHARACTER OF LOCATION :

- Site Condition :

Southern part of South Kalimantan. Tropical climate zone and swamp area. Located at 50 km North from the capital city, Banjarmasin. High temperature and acid soil. Close to the Central Kalimantan. The total land area is 9,400 Ha.

- Socio - economic Condition :

Two DESA were formed in 1985 by the transmigration project.

Paddy is the major crop. People in the area are engaged in seasonal works except peak farming season (March -April : transplantation season; August - September : harvest season). The average agricultural income is 600,000 Rp while average seasonal works income is 1.5 Million Rp. There are neither supply of city water nor electricity. Narrow paved road and river transportation is also used.

- Type of Agriculture :

Paddy farming is the major activity. Irrigation system is not established and depending water for rain fall and increase of water in the Barito river. They produce paddy once a year. There are 2,137 Ha of paddy field. The average cultivated paddy field per household is 2 Ha. The average yielding of paddy is 2 tons/Ha. Farmers are also producing coconut, but there is no processing facilities.

- Major Local Industries :

Paddy farming, coconuts, garam tree production

HISTORICAL BACKGROUND OF KUD :

The KUD was established in 1983. Since the transmigration project the KUD has been covering four villages. However, the KUD has not been active until 1991. It was after 1991, when the KUD has reshuffled its directors, also a government employee has been assigned to assist the KUD, it has gradually increased the business volume. It has designated as KUD MANDIRI in 1993 with the increased volume of business of paddy, KUT, a retail shop and Rice Milling Unit.

CHARACTER OF KUD :

- Service of KUD :

In 1995, the KUD handled fertilizer, RMU, rice market, a small retail shop and KUT. However, in 1996, the KUD did not handle rice because the market price of rice has exceeded the floor price. The small retail shop was closed on May 1995 and now it is consigned to other persons.

- Business of members :

They engaged in paddy farming, coastal fishing. A seasonal work is common for most of members because agricultural income is not sufficient.

BUSINESS CONDITIONS:

- Total Business Volume:	Rp	18.9	Million / Year : 1995
- Total Surplus (SHU) :	Rp	0.2	Million / Year : 1995
- KUD-Owned Capital :	Rp	33.7	Million / Year : 1995
- Outside Capital :	Rp	3.6	Million / Year : 1995
- Total Assets :	Rp	37.3	Million / Year : 1995
- Total Institutional			
- Loans Outstanding :	Rp	4.5	Million / Year : 1995
- Total Member Loans			
(Bank Channelling) :	Rp	9.0	Million / Year : 1995
- Total Member Loans :			
(Internal -S/P) :	Rp	0	Million / Year : 1995
Member Savings :			
- Initial Membership :	Rp	0.2	Million / Year : 1995
- Compulsory Savings :	Rp	0.3	Million / Year : 1995
- Voluntary Savings :	Rp	0.7	Million / Year : 1995
Total Savings :	Rp	1.3	Million

CURRENT MANAGEMENT OPERATION CONDITION:

In 1995, the KUD has stopped operation of a small retail shop and also has not handled rice. The business volume of the year 1995 was shrunk into 40% of that of the previous year. The has not holding the general meeting until October although it has originally planed in February 1996. The financial statement of fiscal 1995 to be reported at the general meeting has still not prepared yet. Thus the weakness of the organization was observed. Looking at the financial condition, the ratio of own asset to the total asset is 90.2% which is comparatively high level, however, the most of the own asset was obtained by donation by governmental institutions (93.5%) and funds collected from members are small amount. The ratio of the surplus fund to the total asset is 0.6% and 1.2% to the total business volume.

CURRENT PROBLEMS AND SOLVING PLAN:

The major problems are the lack of funds and shortage of human resources. The basic task of cooperative such as preparation of the financial statement is not satisfactory practised. Members are busy for seasonal works, however, it is imperative for the KUD to ensure the holding of the general meeting in a bid to strengthen the solidarity of members and appeal for cooperation of members for capital formation as well as business promotion. The amount of bad loans are small as far as looking at the liabilities enrolled in the balance sheet.

FUTURE PLANS FOR DEVELOPMENT :

The board of directors of the KUD has a concrete plan for development of the KUD such as commencing of the voluntary savings, manufacturing and market of slates for roof materials, adoption of high capacity rice milling unit, marketing of duck eggs and so on. The implementation of these plan is anticipated for driving the KUD for development.

GENERAL COMMENTS :

Out of 4 villages which are covered by the KUD, the members of the KUD is limited for the 2 villages which have organized through the transmigration project and there are no members in the rest of 2 villages. One of the village is fishery village. Most of members are engaged in seasonal works and collection of members are difficult. It is necessary to strengthen the influence of the KUD to farmers and all people who live in the rest of villages which were established before the transmigration period. It is imperative for the KUD to make a concrete action to increase its members.

(33) KUD HIDUP BARU

NAME OF KUD : HIDUP BARU

/ CATEGORY : MANDIRI

LOCATION : Province : South Kalimantan / NO. MEMBERS :
Kabupaten : Barito Kuara - Full : 152
Kecamatan : Rantau Badauh - Candidate : 88

YR ORGANIZED : 1992 / REG. DATE : 15-9-1992 / REG. NO. : 1309 a/BH/IX

NO. EMPLOYEES : Full Time : 4 / Part Time : 0

NAME OF : CHAIRMAN : Misdar / Survey Date : 30-9-1996

MANAGER : Not adopted

SPECIFIC CHARACTER OF LOCATION :

- Site Condition :

It is located at the Southern part of South Kalimantan. It belongs to tropical climate zone and swamp area. Located at 35 km North from the capital city, Banjarmasin. High temperature and acid soil. There are no tourism resources. The total land area is 3,000 Ha of which paddy field is 2,700 Ha.

- Socio - economic Condition :

The population of the area is 3,563 persons. The average annual income per household is 1,080,000 Rp of which 25% is from non-agricultural income. Electricity is extended to 95% of households. There are no city water supply and telephone service. Both water and road transportation measures are used.

- Type of Agriculture :

No irrigation facilities. Paddy farming by using water of the Barito river. Single cropping for a paddy (transplantation Feb.-April, harvest Aug. to Sep.)

- Major Local Industries :

Production of a garam tree, handi-craft (mat made of horse rush)

HISTORICAL BACKGROUND OF KUD :

In 1975, there was an agricultural cooperative in the village but it has stopped operation in 1976. The agricultural cooperative has reshuffled the directors in 1992 and has started business as non-KUD cooperative. In 1993, it has registered as KUD and it has designated as KUD MANDIRI in 1994.

CHARACTER OF KUD :

- Service of KUD :

The contribution of fertilizer distribution to the total business volume is 52.6% that of a small retail shop is 28.5% and a paddy is 15.2%. Other business is the supply of lime stone, marketing of garam trees and collection of electricity charge.

- Major Facilities of KUD :

two warehouses, a small retail shop, motor boat for transportation, one additional warehouse is under construction, no RMU but they purchased land for RMU.

- Business of members :

All households in the area are engaged in farming. As a side business they are engaged in selling of garam trees and handicrafts.

BUSINESS CONDITIONS:

- Total Business Volume:	Rp	52.5 Million / Year : 1995
- Total Surplus (SHU) :	Rp	1.4 Million / Year : 1995
- KUD-Owned Capital :	Rp	24.3 Million / Year : 1995
- Outside Capital :	Rp	7.1 Million / Year : 1995
- Total Assets :	Rp	31.4 Million / Year : 1995
- Total Institutional Loans Outstanding :	Rp	0 Million / Year : 1995
- Total Member Loans (Bank Channelling) :	Rp	0 Million / Year : 1995
- Total Member Loans : (Internal -S/P) :	Rp	0 Million / Year : 1995
Member Savings :		
- Initial Membership :	Rp	0.4 Million / Year : 1995
- Compulsory Savings :	Rp	1.1 Million / Year : 1995
- Voluntary Savings :	Rp	0 Million / Year : 1995
Total Savings :	Rp	1.5 Million

CURRENT MANAGEMENT OPERATION CONDITION:

They are buying fertilizer from KUD Tuntung Pandan (MANDIRI INTI) as the KUD has a license as retailer of fertilizer now. They are demanding the license of a wholesaler of fertilizer. The management of a small retail shop is good. As the KUD has no RMU, they market in the form of a paddy only. The KUD is planning to construct RMU and has purchased land for RMU. The management of the KUD is good with having no bad debts. The ratio of own capital to the total assets is 77.3% which is comparatively high. The ratio of the surplus fund to the total assets is 4.7% and that of the ratio to the total business is 2.8% which shows high profitability. One of the reasons for high profitability is the voluntary service of three full-time directors without receiving remunerations.

CURRENT PROBLEMS AND SOLVING PLAN:

The coverage ratio of members to the total adult population (more than 17 years old) is 6.9 % and the ratio of member households to the total households is 17.9%. The value addition to a paddy is difficult as the KUD has no RMU. The problem of marketing activities is the lack of road transportation measure such as track.

FUTURE PLANS FOR DEVELOPMENT:

Establishment of the rice milling unit (land for construction is ready). To buy another motor boat and track. Obtaining license of a wholesaler of fertilizer.

GENERAL COMMENTS :

The KUD was designated as MANDIRI after four years of the establishment and the management condition is good. The directors are young generation of 30's and have a strong will to develop the KUD. The members of the KUD were increased by handling KUT. The operation area is covering only 3 DESA but the future development is expected.

(34) KUD HARAPAN PERTAMA

NAME OF KUD : HARAPAN PERTAMA / CATEGORY : CALON MANDIRI

LOCATION : Province : South Kalimantan / NO. MEMBERS :
Kabupaten : Barito Kuara - Full : 50
Kecamatan : Rantau Badauh - Candidate : -

YR ORGANIZED : 1995 / REG. DATE : 30-12-1995 / REG. NO. : 2160/BH/IX

NO. EMPLOYEES : Full Time : 0 / Part Time : 0

NAME OF : CHAIRMAN : M. Yahya / Survey Date : 27-9-1996
MANAGER : Mansyah

SPECIFIC CHARACTER OF LOCATION :

- Site Condition :

It is located at the Southern part of South Kalimantan. It belongs to tropical climate zone and swamp area. Located at 12 km North West from the capital city, Banjarmasin. High temperature and acid soil. There are no tourism resources. The total land area is 7,000 Ha of which paddy field is 4,830 Ha.

- Socio - economic Condition :

The KUD covers five villages. The population of the area is 7,253 persons. The average annual income per household is 300,000 Rp. From agricultural income. Electricity is extended to 90% of households. There are no city water supply and telephone service. Both water and road transportation measures are used but a condition of a road is bad.

- Type of Agriculture :

No irrigation facilities. Paddy farming by using water of the Barito river. Single cropping for a paddy (transplantation May, harvest Sep.- Oct.). The average yielding is two tons/ Ha.

- Major Local Industries :

Production of handcraft (mat made of horse rush), the raw materials are procured from other area. 50% of the products are sold to middlemen but the rest of 50% are sold by farmers at the floating market.

HISTORICAL BACKGROUND OF KUD :

In 1991, a farmer's group was organized in the village which was the base of the present KUD. The present KUD was registered in April 1995. There was another KUD already established the county (kecamatan) level which covered the area of the village, however, the service was not extended to the village. As the activities of the farmer's group has become progressed, they decided to establish KUD. The KUD covers five villages for its business operation but the KUD has members from one village only.

CHARACTER OF KUD :

- Service of KUD :

The real estate business has a share of 74.5% of the total business followed by market of a paddy (17.6%), supply of fertilizer (5.0%), a small retail shop (28.5%) and savings 0.3%. Although the license is not obtained yet the KUD is engaged in collection of electricity charge in a small amount.

- Major Facilities of KUD :

One warehouse, a small retail shop (under renovation), no RMU but they purchased land for RMU.

- Business of members :

All households in the area are engaged in paddy farming. As a side business they are engaged in selling of handicrafts made of horse rush to Banjarmasin.

BUSINESS CONDITIONS:

- Total Business Volume :	Rp	55.5 Million / Year : 1995
- Total Surplus (SHU) :	Rp	55.5 Million / Year : 1995
- KUD-Owned Capital :	Rp	17.5 Million / Year : 1995
- Outside Capital :	Rp	91.9 Million / Year : 1995
- Total Assets :	Rp	109.5 Million / Year : 1995
- Total Institutional Loans Outstanding :	Rp	0 Million / Year : 1995
- Total Member Loans (Bank Channelling) :	Rp	0 Million / Year : 1995
- Total Member Loans : (Internal -S/P) :	Rp	0 Million / Year : 1995
Member Savings :		
- Initial Membership :	Rp	0.5 Million / Year : 1995
- Compulsory Savings :	Rp	1.7 Million / Year : 1995
- Voluntary Savings :	Rp	16.4 Million / Year : 1995
Total Savings :	Rp	18.6 Million

CURRENT MANAGEMENT OPERATION CONDITION:

The real estate business is the major business of the KUD and members are benefited from the business. In the transaction of a paddy, they don't buy up a paddy from members when they collected but a paddy is deposited to the KUD and KUD can freely sell a paddy to six major dealers in the area who fetched a higher price. When a member needs money, they can receive money any time in cash commensurate with the market price of the day. The KUD has established one and half years ago and the management condition is good having no bad debts.

The ratio of own capital to the total assets is 16.1% which is comparatively low. The ratio of the surplus fund to the total assets is 14.1% and that of the ratio to the total business is 27.7% which shows high profitability. One of the reasons for high profitability is the high profit from real estate business, voluntary services to KUD business by directors and members without receiving salaries.

CURRENT PROBLEMS AND SOLVING PLAN:

The KUD covers five villages, 20 keronpok tani however, the members are from one village, one keronpok tani only. The increase of members is the imminent task for the KUD and it is necessary to examine the operation of the KUD when the members are expanded to other villages. The voluntary service of the directors and members has a certain limit and it is imperative for the KUD to consider having employees. In the real estate business, it is important to avoid extra stocks to reduce risks.

FUTURE PLANS FOR DEVELOPMENT:

The KUD has plans for establishment of the rice milling unit, warehouses and to buy a small track and boat for transportation of gravels to be used for road and housing construction. Also, the KUD is requesting to obtain a license for handling electricity charge bills and maintenance of the water canal.

GENERAL COMMENTS:

The KUD was established one and half years ago, it has a small number of members with 50, however, the business is very active. The directors and members are supporting the activities of the KUD without receiving salaries. Members' contribution to a voluntary saving is good. It is anticipated that the management of the KUD will be difficult when members are expanded to other villages because the same kind of service by members and directors will not be maintained with the increase of members from other villages. It is imperative for the KUD to start discussion with other villages.

(35) KUD TUAS KARYA

NAME OF KUD : TUAS KARYA / CATEGORY : MANDIRI

LOCATION : Province : South Kalimantan / NO. MEMBERS :
Kabupaten : Barito Kuara - Full : 300
Kecamatan : Belawang - Candidate : -

YR ORGANIZED : 1984 / REG. DATE : 28-9-1992 / REG. NO. : 16429/BH/IX

NO. EMPLOYEES : Full Time : 5 / Part Time : 2

NAME OF : CHAIRMAN : Mahfud / Survey Date : 2-10-1996

MANAGER : Not adopted

SPECIFIC CHARACTER OF LOCATION :

- Site Condition :

It is located at the Southern part of South Kalimantan. It belongs to tropical climate zone and swamp area. Located at 50 km North from the capital city, Banjarmasin. High temperature and acid soil. There are no tourism resources. The total population is 1,470. There are a paddy field of 1,100 Ha. The average yielding of a paddy is two tons/Ha.

- Socio - economic Condition :

The KUD covers three villages.

- Type of Agriculture :

No irrigation facilities. Paddy farming by using water of the Barito river. Single cropping for a paddy (transplantation May, harvest Sep.- Oct.). The average yielding is two tons/ Ha. Besides, a paddy, they are producing soybean, corn, cassava, local chicken, beef cattle and goat. 98 % of farm households have their own land.

- Major Local Industries :

Agriculture only.

HISTORICAL BACKGROUND OF KUD :

The KUD was established through the transmigration project in 1984. The KUD was designated as KUD MANDIRI in 1993. The Kecamatan Wilayan was established in 1996 and the KUD is covering the new Kecamatan but most of the members are remained. There was an increase of households in the area by 101 in 1995 as a part of Central Kalimantan was restructured to be included in South Kalimantan. About 45% of members are women.

CHARACTER OF KUD :

- Service of KUD :

The major business is a paddy collection and sales which have a share of 44.9% of the total business followed by supply of fertilizer (35.9%), a small retail shop (10.6%) and RMU commission of 7.5%. The KUD has already obtained a license for handling collection of electricity charge and two employees have received training at the Electric Power Corporation.

- Major Facilities of KUD :

One warehouse, a small retail shop, one RMU with the capacity of five tons per day and one house received from the Department of Transmigration. The RMU is the grant by the Japanese Government by the Kennedy Round Project.

- Business of members :

All households in the area are engaged in paddy farming. They also produce and sell soybeans, coms, cassava, beef cattle, goat

BUSINESS CONDITIONS:

- Total Business Volume :	Rp	50.1 Million / Year : 1995
- Total Surplus (SHU) :	Rp	0.4 Million / Year : 1995
- KUD-Owned Capital :	Rp	29.4 Million / Year : 1995
- Outside Capital :	Rp	16.0 Million / Year : 1995
- Total Assets :	Rp	45.5 Million / Year : 1995
- Total Institutional Loans Outstanding :	Rp	27.0 Million / Year : 1995
- Total Member Loans (Bank Channelling) :	Rp	48.6 Million / Year : 1995
- Total Member Loans (Internal -S/P) :	Rp	0 Million / Year : 1995
Member Savings :		
- Initial Membership :	Rp	1.0 Million / Year : 1995
- Compulsory Savings :	Rp	2.0 Million / Year : 1995
- Voluntary Savings :	Rp	0 Million / Year : 1995
Total Savings :	Rp	3.0 Million

CURRENT MANAGEMENT OPERATION CONDITION:

The sale of a paddy and supply of fertilizer is the major business of the KUD. The small retail shop is run in a deficit. The rice milling unit has a high profitability. The KUD has the account receivable in the small retail shop with a small amount. Generally, the management condition of the KUD is good.

CURRENT PROBLEMS AND SOLVING PLAN:

Shortage of funds. Shortage of human resources. TPK is not established in other two villages.

FUTURE PLANS FOR DEVELOPMENT:

The KUD plans to establish a warehouse and drying space of a paddy. The KUD wishes to develop more livestock's industry in the area especially, local chicken, goat and beef cattle through supply of good seeds, chicks, feeder cattle and goats. Also, they intend to develop agro-processing business by using soybean such as beans' curd and TEMPE. They plan to establish TPK for the rest of two villages and feed mills by using maize produced in the area.

GENERAL COMMENTS:

The membership coverage is comparatively high in the KUD. 650 households including households joined in the areas by the reform of provincial area of which 300 households are being members of the KUD. The ages of directors are young and they are all 30's and they are very active to develop the KUD activities.

APPENDIX

II

THE RESULT OF COMMISSIONED SURVEY

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THE RESULTS OF THE COMMISSIONED SURVEY

- 1 The Method of the Commissioned Survey**
- 1-1 The rural Community and Rural Economy**
- 1-2 Agricultural Production**
- 1-3 Agro-Processing and distribution**

1) Objectives for the commissioned survey

Regarding the above mentioned items, as the period of the detailed field survey was limited, it was consigned to the third party to conduct the survey. The objective is to grasp the background of KUD activities from the view point of rural life of people, economy of rural people, agricultural production by commodities and situation of agricultural processing activities both in KUD and other sectors to assess the possibilities of future activities of KUD according to 7 provinces selected.

2) Methods of commissioned survey

The survey form is prepared in English by the survey team and commissioned surveyors visited each seven provinces and filled in the form based on the collected data from relevant agencies. Data was collected according to districts for 7 provinces. In the two District namely Bandung and Sidrup, additional survey was conducted as these districts are temporally nominated as target for the Phase III survey. In these districts, the same way of the survey methods were adopted.

3) Commissioned agency and period of implementation

Commissioned agency : National Agency for State Administration
School of Administration

Jalan Administrasi II Pejompongan, Jakarta 10260

Period of Survey : September 5 to October 15 to cover 7 provinces and 2 districts

1-4 Farm household survey for the actual situation and needs of members

1) Objective of the commissioned survey

In a bid to collect information of needs of members and non-members of KUD in 7 provinces which can not be easily obtained through data in each province and detailed field survey, the detailed survey based on interview to selected farm household were conducted in Indonesian Language by Indonesian Researchers.

2) Methods of the survey

The survey team prepared questionnaires in Indonesian Language and commissioned researchers filled in the questionnaires through interview at each farm households. From 5 KUD, 3 KUD were selected for the farm household survey according to category of KUD. 20 farm households were selected at each KUD in consultation with chairman of the KUD with special consideration to select people to obtain impartial response. The breakdowns of 20 farm households were in principle 15 from KUD members and 5 from non-members.

3) Commissioned agency and period of the survey

Commissioned agency : National Agency for State Administration
School of Administration
Jalan Administrasi II Pejompongan, Jakarta 10260

Period of Survey : August 20 to September 15 to cover 7 provinces for
21 KUD and 420 households

2 THE SUMMARY OF THE RESULTS OF THE COMMISSIONED SURVEY (West Java)

2-1 Outline of the Respondent

	Tani Mukti	Walatra	Bayongbong	TOTAL	
Condition of Respondent					
1	Number of respondent family	22 fam.	20 fam.	20 fam.	62 fam.
2	Number of respondent	22 prs.	20 prs.	20 prs.	62 prs.
	- male	21 prs.	20 prs.	19 prs.	60 prs.
	- female	1 prs.	0 prs.	1 prs.	2 prs.
3	KUD Member	14 prs.	18 prs.	15 prs.	47 prs.
4	Non member	8 prs.	2 prs.	5 prs.	15 prs.
Condition of the Family Head					
5	Number of family head	22 prs.	20 prs.	20 prs.	62 prs.
	- male	21 prs.	20 prs.	18 prs.	59 prs.
	- female	1 prs.	0 prs.	2 prs.	3 prs.
6	KUD member	14 prs.	19 prs.	14 prs.	47 prs.
7	Non member	8 prs.	1 prs.	6 prs.	15 prs.
8	Farmer	13 prs.	19 prs.	18 prs.	50 prs.
9	Other job	9 prs.	1 prs. (public servant)	2 prs.	12 prs.
The main income source of the family					
10	Agriculture	13 prs.	20 prs. (poultry 1)	17 prs.	50 prs.
11	Laborer	1 prs.	2 prs.	0 prs.	3 prs.
12	Daily employee	0 prs.	0	2	2 prs.
13	Land rent	0	0	0	0
14	Others	8 prs.	3 prs. (trading)	1	12 prs.

* The samples of the survey were selected by interviewers and the the KUD chairman with special considerations to obtain impartial respondents.

2-2 Rural Community and Rural Economy

- Custom, ceremonies & social life in rural community

Most probably, customs and ceremonies common in other places in Indonesia are also common to West Java's communities. In general, old tradition is giving way to mechanized practices of modern farming. Some activities, however, are still conducted by farmers once in a while, for instance the hunting of rats by the whole village just after harvesting time. Among several traditional local ceremonies which are still preserved is the Suroan (Islamic New Year Ceremony). This is when a small group of farmer pray to God for His protection of their land from such pest as insect and rat. Similar processions, but in larger scale, are the Expo of Development Results in one year before (usually in each kabupaten). "Village Clearing" also still done by rural communities. The KUDs usually take these opportunities to promote their services.

Social life in West Java's villages is similar to that of other places in Indonesia. There has been a gradual change in which people begin to abandon the principle of "gotong royong" (togetherness), although several activities still manifest this principle, i.e erecting traditional houses, cleaning up waterworks, wild boar hunting, etc.

- Prerogatives of Various Economic Entities

Small shops and kiosks are the main economic entities in many villages in West Java. They play a vital

role in providing farmers with daily necessities and input for their production activities. There are several cases in which these entities also act as distribution channels for farmers' products. While home industries have become an alternative for farmers to create added-values for their products and an additional sources of income.

2-3 Agricultural Production

a. Distribution of Agricultural Input Material such as makers and dealers of chemical, vinyl, feed-stuff

While the production of most of the agricultural input material remains in the hands of the State-owned companies and the private enterprises, the distribution among the user-farmers is done through the KUD network. Chemical fertilizer is produced by State-owned companies. Its distribution is coordinated by the PT Pusi in collaboration with the KUD system. Farm chemicals are produced by PT Petrokemia Kayaku, Bayers and Ciba but the distribution is through the open market. KUDs still remain the major distributors of these insecticides. A majority of farm inputs are distributed through the network of State-owned company, PT Pertani.

Except for higher elevation locations, such as Pangalengan and Garut in West Java, vinyl sheeting is rarely used mainly because of the tropical climate and a higher humidity level. Wherever it is used, its main purpose is protective against rains. It is sometimes used to grow some delicate out-of-season fruits, flowers and vegetables. The distribution of such material is through the open market. KUDs have not been selling this material to the members.

Cattle-feed (concentrates) is produced by several agencies in the province. Bandung alone is reported to be producing about 810,000 tons of cattle-feed. In 1994, the production of cattle-feed was in the following order:

Using corn as the main ingredient	310,600 tons	
Using dedak (rice bran)	494,000 tons	
Total:	804,600 tons	
Production in Kab Bandung	60,000	7.4%
Production in Kab Garut	120,000	14.9%

PT Agro holds nearly 45% share of the production of cattle-feed. The rest is formulated/mixed by the KUD in their mixing plants or by some individual farmers holding a higher level of animals.

The distribution of farm chemicals and farm inputs is done through the TPKs of KUD, and in some case, through a portion of the waserdas of KUD.

b. Distribution of Farm Machineries (Makers and Dealers)

During 1994, the farm machinery position in West Java was as follows:

12,062 ...	2-wheel tractors
652 ...	4-wheel tractors
205,900 ...	Threshers
2,688 ...	Rice Milling Units
303,211 ...	Hand sprayers

Nearly 93% of the farm machines available in the province are in good working condition.

Most of the farm machines are of Japanese origin - either imported in 100% form or locally assembled. Some of the equipments were given to the KUD under OECF and Kennedy Round Programmes. Farm machines are available in the open market. KUDs do not sell bigger machines e.g., tractors. Hand sprayers, threshers and water pumps are sold depending on the individual contracts between the farmers and the KUD. Servicing and spare parts are easily available.

Keeping in view the high level of agricultural production in the province, the level of farm machines and equipment is still very low, because of their high prices and higher levels of maintenance costs. The requirements of farm machines is expected to go up sharply as the industrial development and urbanization in the province accelerates due to shrinkage of farm lands and exodus of farm labour to city centres.

2-4 Agro-Processing and Its Distribution

a. Demand for Major Farm Products (Commodities, Form of Processing, Consumption Areas)

West Java has gradually become a "profit centre" of the country because of its close proximity to the national capital, Jakarta. As a consequence, rural areas of West Java have now access to a very large market for supply of farm products, especially fresh vegetables, fruits, poultry and livestock products. A sample of increase in agricultural products is given below:

Commodity	1985	1994	Percent
Rice (Tons)	5,864,914	6,409,245	109.2
Vegetables (Tons)	315,000	482,500	153.3
Chilly (Tons)	73,285	179,682	246.5
Bananas (Tons)	824,680	1,174,460	142.3
Broiler (kg)	23,756,908	146,624,729	617.1
Eggs (kg)	1,113,593,742	1,282,654,699	115.1

Source: Kanwilkop-West Java, Bandung 1995

The farm products are collected through the KUD network either at the initiative of the traders and their agents or at the behest of the KTs. Products are cleaned up, sorted out and packed in sacks and transported to consumption areas. Very few KUD are engaged in a detailed processing of farm products. In West Java, KUD Pasir Jambu is known to have entered into an agreement with the Hero supermarket for the supply of grade-1 fresh vegetables as per standards established by them. The KUD does the packaging according to the requirements of the supermarket. Another KUD in Kab Bandung, KUD Sarwa Mukti has also specialized in handling fresh vegetables, but not doing any value addition or processing. In Kab Garut, the KUD Bayonbong is also engaged in horticultural activities, but no processing is undertaken.

b. Technical Level of Major Processed Farm Products by Commodities

Milk is one major commodity which is handled widely more in highland areas of West Java. There were 25 milk cooperatives and 454 KUD-milk units in 1993 collecting nearly 205 million liters of milk for despatch to IPS and the GKSI treatment plants. Some of the cooperatives convert excess milk into yogurt, flavoured milk and ice cream. The GKSI pasteurizes some milk for distribution in the local market under the brand name of "Susu Alam Murni". A major portion of the milk collected goes to the IPS e.g., Frisian Flag, Indo Milk, Ultra Jaya etc.

Fresh vegetables are not processed at the cooperative level. Some of the KUDs, especially in the highland areas of West Java, have entered into agreement with Indofood, a large private enterprise, for the supply of potato. The KUD Pasir Jambu has entered into agreement with Hero Supermarket for the supply of fresh vegetables.

Several KUD are engaged in collection of green tea leaves and selling them to the tea industry. KUD are not engaged in tea processing because of the high investment.

Soybean is grown in the province but is not sufficient to meet the market needs. The tahu tempe cooperatives - Kopti - are engaged in converting soybeans into food items, a flourishing business.

No processing of poultry is undertaken in the cooperative sector except for organizing its collection and

transportation to consumption centres.

c. Major Agro-Processing Business Entities, Volume of Production and Facilities

There are several major agro-processing enterprises in the province, but they are all in the private sector. Major of them are: Indofood, Bogasari (flour mills) and IPS units. In the cooperative sector the only processing unit is for milk - at the GKSJ Milk Treatment Plant in Bandung (137 million kg in 1992).

The processing facilities owned by the cooperative milk units include: cooling units, pasteurization units, sterilizers, milk transfer tankers, cattle-feed mixing units, milk testers and similar.

The province had a beef slaughtering capacity of 57,821 tons in 1994. The slaughter houses are traditional in nature and in private and public sector.

d. Marketing Area of Major Farm Products, Distribution System

Major marketing destinations of farm products have been Jakarta, Cirebon, Serang and some tourist areas. Cash crops like tea, coffee, cloves generally move towards Jakarta where the major buyers of these commodities operate. Tea processing industries within the province handle nearly the entire produce of the tea plantations for processing, packaging and distribution. Nearly 75% of the coffee produced in the province is consumed locally. The Inkud, in association with the Puskud-West Java, purchases nearly the entire produce of cloves of the province and holds it in stock for future distribution among the kretek cigarette manufacturers.

The distribution system depends on the quantity, quality and kind of the product. Potato, a perishable commodity, is sold in various ways e.g., major vegetable traders from the wholesale business in Jakarta lift the product from the road-head, some of the producer-farmers deliver their produce at the Bandung or Jakarta wholesale market, and yet some others, in association with the KUD, have entered into an agreement with Indofood to supply fixed quantities of the item at their factory in Central Java for conversion into potato chips. Same system applies to tomato crop. In one case, however, the KUD Walatra had delivered about 200 tons of tomato to a trading company for delivery in Singapore. This was a one-time business. Another experience is that of KUD Pasir Jambu which has entered into an agreement for the supply of fresh vegetable to the Hero Supermarket in Jakarta.

e. Business Customs and Its Practice (Pricing, Accounting Settlement)

These practices are more or less fixed and traditional. Following the West Java traditions, the terms are cash-upon-delivery of goods. However, in some cases bank transfers are also acceptable. A brief description of business customs is as follows:

a) Rice

The procurement is under the government programme. The procurement price is fixed by the government. The KUD is the procurement agency. It pays to the farmers in cash and rarely through their accounts in the cooperative. The surplus paddy/rice is sold by the farmer in the open market, generally to the trader who comes to his house first with cash in hand. The terms are cash. In some cases the farmers are even paid a token sum to reserve the next crop.

b) Milk

The farmer sells the milk to the KUD/Milk Cooperative on cash payment basis according to a pre-fixed procurement price which is determined according to a standard for fat/SNF contents and the cost of production of milk. The farmer receives the payment on a 10-day basis. The KUD/milk cooperative also receives its payment from the IPS/GKSJ on monthly basis- usually in two instalment. The KUD upon receipt of payment from the IPS pays in the account of the farmer his due, after deducting the costs of items he has purchased from the cooperative e.g., cattle-feed etc. The farmer has two advantages in this case: he

gets temporary credit for purchase of cattle-feed on one hand; and he receives his payments for the milk supplied through his account with the KUD. He is thus able to save some money in the savings account or has the freedom to withdraw all his amount.

c) Vegetables

Indofood also adopts the same method of payment to the farmers. While dealing with wholesale traders and their agents, the terms are usually cash-and-carry from the road-head. When the farmers takes his produce to the wholesale market, he brings home the cash in hand.

d) Cash crops

Except for cloves, all transactions are on cash-and-carry basis. For the price of the clove, the farmer gets part of his money in the form of a share contribution to his cooperative. The accounting system and the payment system to the farmer in the case of this commodity is rather complicated because many agencies in account settlement are involved, and the money is divided in various heads. The farmer needs a clear cash against the produce he has sold.

2-5 Actual Situation of Agriculturist and Their Demands

(1) Actual Situation of Agriculturist

a. Land ownership

Survey conducted in three KUDs in West Java (KUD Walatra, Tani Mukti, and KUD Bayongbong) shows that major farmers have about 0.3-1 ha farmland area except in KUD Walatra. In the last KUD, major farmers have about 2 or more hectares farmland area. From total farmland they work on, 31.32% classified as rented land. This percentage, however, does not totally reflect that the whole farmers have rented farmland. Because, in fact, farmers who lease farmland is less than they do not.

Table 2-5-1 Number of Household by Ownership of Farmland Area

Farmland Area (000 M ²)	Walatra		Tani Mukti		Bayongbong		Total	
	Fr.	%	Fr.	%	Fr.	%	Fr.	%
<2.5	2	10	7	31	10	50	19	31
2.5 - 5.0	2	10	5	23	6	30	13	21
5.1 - 10.0	2	10	4	18	4	20	10	16
10.1 - 15.0	2	10	5	23	-	-	7	11
15.1 - 20.0	4	20	1	5	-	-	5	8
> 20.0	8	40	-	-	-	-	8	13
Total	20	100	20	100	20	100	62	100

Table 2-5-2 Ownership of Farmland Area

Kind of Ownership		Name of KUD			Total; N=62
		Walatra n = 20	Bayongbong n = 20	Tani Mukti n = 22	
Owned	Total Area	330,865	43,569	97,102	471,536
	Average	16,543	2,178	4,414	7,605
	%	68.64	65.73	69.74	68.58
Leased	Total Area	151,142	22,720	42,140	216,002
	Average	7,557	1,136	1,915	3,484
	%	31.36	34.27	30.26	31.42
Total	Total Area	482,007	66,289	139,242	687,538
	Average	24,100	3,314	6,329	11,089
	%	100	100	100	100

b. Number of family members and number of person engaged in farming

From 62 families covered in this survey, 43.6% said that their family members range from 1 to 3, 40.3% range from 4 to 6, and the rest have 7 or more members. In average, the number of family members engaged in farming are 4. In each KUD, the smallest contribution of family members in farming happened in KUD Tani Mukti (3.4 persons in average). Above of Tani Mukti is KUD Bayongbong (4.7 persons) and KUD Walatra is the biggest contributor (5.4 persons). Generally, male have slightly bigger involvement in farming activities than the females.

Table 2-5-3 Number of Household by Number of Family Members

Family Members	Name of KUD						Total; N=62	
	Walatra n = 20		Bayongbong n = 22		Tani Mukti n = 20		Fr.	Total
	Fr.	%	Fr.	%	Fr.	%		
1 - 3	5	25	13	40.9	9	45	27	43.6
4 - 6	9	45	9	59.1	7	35	25	40.3
7 - 9	6	30	-	-	4	20	10	16.1
> 9	-	-	-	-	-	-	-	-
Total	20	100	22	100	20	100	62	100

Note: Fr = frequency

Table 2-5-4 Number of Family Member by Sex

Sex	Name of KUD							
	Walatra		Bayongbong		Tani Mukti		Total	
	Amount	Avg	Amount	Avg	Amount	Avg	Amount	Avg
Male	57	2.8	46	2.3	42	1.9	145	2.3
Female	51	2.6	49	2.4	33	1.5	133	2.2
Total	108	5.4	95	4.7	75	3.4	278	4.5

c. Cultivated farmland area by commodity and number of livestock

Whatever kind of crops they cultivate, upland commodities take 74.6% from their total area in the three KUDs. To draw it more detail, upland commodities take about 80.4% in KUD Walatra, 55.3% in KUD Tani Mukti, and 53% in KUD Bayongbong.

The following commodity is paddy field. Orchard and livestock facilities area together just take under 3% from total area. The same figure (3%) can we find for residential site.

In terms of number of livestock, the survey found that almost all of the farmers in three KUDs raise local chicken in average of 10 / farmer and dairy cattle in smaller number. A few farmers also have water buffalo, bali cattle, sheep, and goat in smaller numbers.

Table 2-5-5 Cultivated farmland area

Kind of Commodity		Name of KUD			
		WLT	BB	TM	Total
Paddyfield	Total Area	49,100	38,276	39,060	126,436
	Average	2,455	1,913.8	1,953	2,107.3
	%	12.4	40.8	35.4	24.4
Upland	Total Area	341,500	31,243	60,940	433,683
	Average	17,075	1,562.133.3	3,047	7,228.1
	%	86		55.3	72.1
Orchard	Total Area	1,640	22,878	550	25,068
	Average	82	1,143.9	27.5	417.8
	%	0.4	24.4	0.5	0.9
Residential Site	Total Area	600	879	9,520	10,999
	Average	30	43.9	476	183.3
	%	0.2	0.9	8.6	1.8
Livestock	Total Area	4,400	542	184	5,126
	Average	220	27.1	9.2	85.4
	%	1.1	0.6	0.2	0.9
Total	Total Area	397,240	93,818	110,254	601,312
	Average	19,862	4,690.9	5,512.7	10,021.9
	%	100	100	100	100

Table 2-5-6 Number of Livestock

Kind of Livestock		Name of KUD			
		WLT	BB	TM	Total
Dairy Cattle	Number	11	50	29	90
	Average	0.55	2.5	1.5	1.5
Water Buffalo	Number	-	-	5	5
	Average	-	-	0.25	0.08
Bali Cattle	Number	4	-	4	8
	Average	0.20	-	0.20	0.1
Local Chickens	Number	100	313	164	577
	Average	5	15.6	8.2	9.6

Hen Layer	Number	3	-	-	3
	Average	0.15	-	-	0.05
Duck	Number	14	31	20	65
	Average	0.70	1.55	1.0	1.1
Sheep	Number	17	26	13	56
	Average	0.85	1.3	0.65	0.9
Goat	Number	7	5	-	12
	Average	0.35	0.25	-	0.2

d. Annual family income

There are about 65.5% from 60 farmers who earned Rp 3.5 million or more per annum, and the rest earned smaller one.

The survey have also revealed that 79% of total income comes from agri-activity.

The income of members farmers in Walatra show abnormally higher than those of in other area.

Table 2-5-7 Number of Households by Income Group

Income (000,000)	Name of KUD							
	Walatra		Bayongbong		Tani Mukti		Total	
	Fr.	%	Fr.	%	Fr.	%	Fr.	%
0.5 - 0.99	-	-	-	-	1	5.0	1	1.8
1.0 - 1.49	-	-	-	9.5	-	-	-	-
1.5 - 1.99	-	-	2	9.5	2	10.0	4	7.3
2.0 - 2.49	-	-	2	9.5	1	5.0	3	5.5
2.5 - 2.99	-	-	4	19.1	3	15.0	7	12.7
3.0 - 3.49	-	-	3	14.3	1	5.0	4	7.3
>3.49	14	100	10	47.6	12	60.0	36	65.5
Total	14	100	21	100	20	100	55	100

Note: Fr = Frequency

Table 2-5-8 Farm Households Income

		Rp/Year		
		Name of KUD		
		Walatra	Bayongbong	Tani Mukti
Gross Agri- Income	Amount	519,684,000	82,823,000	83,120,250
	Average %	25,984,200 94.9	4,141,150 87.4	4,156,013 79.9
Non Agri- Income	Amount	27,900,000	11,910,000	20,950,000
	Average %	1,395,000 5.1	595,500 12.6	1,047,500 10.1
Total Annual Income	Amount	547,584,000	94,733,000	104,070,250
	Average %	27,379,200 100	4,736,650 100	5,203,512 100

Table 2-5-9 Net Agri Income

Unit : Rp.

		Name of KUD		
		Walatra	Bayogbong	Tani Mukti
Gross Agri- Income	Amount	519,684,000	82,823,000	81,670,250
	Average	25,984,200	4,141,150	4,083,513
Production Expenses	Amount	335,970,000	45,922,400	39,814,250
	Average	16,798,500	2,296,120	1,990,713
Net Agri- Income	Amount	183,714,000	36,900,600	49,616,000
	Average	9,185,700	1,845,030	2,480,800

e. Situation of off-farm and seasonal works

Rural people in West Java are relatively more advanced than their fellow countrymen in other provinces. People in West Java generally possess enough skill to utilize their spare time of off-farm and seasonal works, to get involved in productive activities such as trading (in markets or street vending), transportation services, handicrafts, etc.

f. Situation of Holdings of Farm Machinery and Facilities

The farm households survey covered 60 farm households from the area of operation of three KUDs in West Java (KUD WALATRA, KUD TANI MUKTI and KUD BAYONGBONG). Major production of the area has been: fresh milk, fruits and vegetables, and some livestock including poultry. On an average, income of a farm household from livestock and dairy has been almost 67% of its gross agricultural income. Consequently, the farmers have not invested much on farm machinery and agricultural implements. However, since the farmers also deal with the production of fruits and vegetables some simple and traditional farm implements have been procured by them. There were 39 pest control equipments, 9 water pumps, 8 sprinklers and 5 harvest/storage equipments.

The farmers also possessed 342.4m² of farm produce storage; 9.1m² of farm equipment garage; and 173m² of poultry house, facilities in the area of operation of these three KUDs. The farm machines, equipments and the facilities have been rather traditional, and are the minimum required for cultivation of vegetables and fruits (mainly potatoes and oranges) and upkeep of poultry and livestock.

The farmer held, on an average, 3 heads of cattle; 19.2 local hens, and some sheep, goats and water buffaloes. The highest concentration of cattle and poultry was in Bayong Bong KUD area.

g. Measures to Obtaining Farming Technology

As is seen everywhere in other provinces, many farmers under survey are get information on farming technology from PPL (Agricultural Extension Field Officer), for example, 19 among 20 members of Tani Mukti KUD rely on PPL and 9 of the same are getting information from KUD, too. As to other KUD, respondents are splitted half to obtain information from KUD and PPL.

Other sources from where farmers are getting information on agricultural technology are 9 from parent, 12 from neighbor and 6 middleman/dealer.

In addition to the sources mentioned above, members of KUD participated in various subject-wise meeting, symposium and training course and the subject includes cultivation technology, plant protection, animal husbandry and agro-business.

h. Measures for Obtaining Production/Consumer Goods (Situation of using KUD)

On an average, the gross agricultural income of a household constitutes 95% of its total income. 61.6% of the gross agricultural income is spent on production-related expenses. The breakdown of the agricultural income is as follows:

BREAK-UP (PERCENTAGE) OF AGRICULTURAL INCOME OF
FARM HOUSEHOLDS : 3 KUD AREAS IN WEST JAVA

Source of Income	WALATRA	TANI MUKTI	BAYONGBONG	Av. %
Rice	0.7	13.5	3.4	5.6
Livestock/Dairy	69.8	52.9	78.3	67.0
Fruits and Veg.	37.4	21.7	14.6	24.0
Cash Crops	--	11.1	2.3	4.3
Others	--	--	--	--

The major source of income of households has been from livestock and dairy activities (67%), followed by fruits and vegetables (24%) and just 5.6% from rice. The highest income-generating sectors have been: dairying and vegetables in KUD Walatra.

The breakdown of household expenses has been as follows: on an average 51.3% goes towards food expenses; education (15.3%); for clothing (12.6%); housing (7.3%); ceremonial expenses (5%); and about 8.3% towards other expenses. (see table below).

BREAK-UP (PERCENTAGE) OF HOUSEHOLD EXPENSES

Expenses	WALATRA	TANI MUKTI	BAYONGBONG	Av. %
Food	38.3	59.6	56.0	51.3
Clothing	11.8	11.4	15.0	12.6
Housing	13.5	6.7	2.3	7.3
Education	19.5	6.1	19.6	15.3
Ceremonies	5.7	6.1	2.8	5.0
Others	10.9	9.7	4.0	8.3

Households have been making use of their KUDs, to some extent, to procure their production and consumer needs as well as for sale of their products. 59% of the farm households purchased their fertilizers and pesticides from their KUDs. Other major purchases made by the members from their KUDs included: rice (65%); fish; paddy seeds; food; clothing; production/packaging material etc.

Very little of farm machines were purchased from the KUD. Farm household members of KUD Tani Mukti have been the main producers of vegetables e.g., white potatoes, and cabbage. Nearly 63-64% of the agricultural produce was sold by the members. Since the major produce of the members has been milk, 40% of the household sold their products to their KUD Tani Mukti, and 60% of them to KUD Bayong Bong, rest of them sold their entire production to IndoFood, a private milk processing company. The KUD, in turn, supplied the milk to the cooperative milk processing factory - the GKSI milk treatment plant - (in Bandung). Milk collection and its despatch to the cooperative dairy in Bandung has been its profit centre. The second important business of the KUD was in fruits and vegetables sector.

The KUD retail shops (waserdas) have been used to purchase daily household necessities, food items, some simple farm equipments, clothing etc.

i. Savings and Loan Activity of Farm Households

- Savings Patterns of Farm Households

The commissioned survey results of savings patterns for farm households in West Java is as follows:

TYPE/PLACE OF SAVINGS	SAVINGS (Rp. Million)	% TOTAL SAVINGS	TOTAL # RES-PONSE	% TOTAL FAMILIES SURVEYED	% TOTAL RES-PONSE	AVE SIZE SAVINGS (Rp.000)
Total Savings	43.0	100.0	42	70.0	100.0	1,024.0
KUD Voluntary Savings	22.7	52.8	41	68.3	100.0	554.0

Other Savings	20.3	47.2	20	33.3	100.0	1,014.7
- BRI	x					
- BKPD	x					
- BUMN	x					
- B.Bali	x					
- BUKOPIN	x					
- Farmer						
G r o u p						

j. Loans Received, Loan Repayment and Loan Repayment Intentions of Farm Households

The commissioned survey results for loans received, loan repayment and loan repayment intentions for farm households in West Java is as follows:

TYPE OF LOANS	LOANS (Rp. Million)	% TOTAL LOANS	TOTAL # RES- PONSE	% TOTAL FAMILIES SURVEYED	% TOTAL RES- PONSE	AVE SIZE OF LOAN (Rp.000)
Total Loans	213.1	100.0	34	56.7	100.0	6,268.3
KUD Loans	84.8	39.8	21	35.0	100.0	4,036.2
Other Loans	128.4	60.2	18	16.7	100.0	7,131.1
- Bank	65.8	30.9	3	-	16.7	21,916.7
- Informal	42.8	20.1	7	-	38.9	6,115.7
- Not Specified	18.8	8.8	8	-	44.4	2,350.0

CATEGORY	TOTAL # RESPONSES	% TOTAL RESPONSE
REPAYMENT OF KUD LOANS:	42	100.0
1. Repaying loan on time	33	78.6
2. Deadline has arrived but repayment is partially overdue	2	4.7
3. Deadline has arrived but unable to repay most of debt	1	2.4
4. Deadline has arrived but have not repaid any of debt	1	2.4

5. Deadline has not yet arrived	5	11.9
INTENTION TOWARD LOAN REPAYMENT:	48	100.0
1. The loan should be repaid exactly by the deadline	45	93.8
2. The loan should be repaid but not necessary to repay exactly on deadline	3	6.2
3. The loan does not have to be repaid (decision of debtor)	0	0.0

k. Merchandise Ratio and Marketing Methods of Farm Products (Situation of Using KUD)

Not all the farm households use their KUDs to market their farm products. Only 40% sold their milk to KUD Tani Mukti, and 60% to their KUD Bayong Bong. The KUDs assisted their members to procure the required fruits and vegetables and arranged for its transportation either to Jakarta or to the nearby town centre of Bandung. Nearly 48-49% of the fruits and vegetables were marketed by the members on their own, either in the open market or to the contractors/commission agents.

None of the households or any of their KUDs possessed any grading, packaging and cold storage/warehousing facilities. The KUDs, however, operate outlets (kiosks) from which the farmers can purchase agricultural inputs and implements, but the range has not been wide. Members have suggested their renovations and expansion (85%), too far a location (45%), range of items available was limited (38%).

(2) Intention for Farm Management

According to the KUD farm household survey which was conducted in the province of West Java, an average acreage of the farmland cultivated is 0.55 ha for KUD Tani Mukti, 1.99 ha for Walatra and 0.47 ha for Bayongbong. Paddy field in the above-mentioned land is 0.19 ha, 0.25 and 0.19 ha, respectively and upland acreage is 0.37ha, 1.71ha and 0.16ha respectively.

Among the farmers in the KUD under survey (62 farmers) 27 farmers who are raising dairy cow and average number of head per farmer ranges between 2.9 and 3.9 among KUD. A few number of other animals i.e., buffalo and Bali buffalo are kept by farmers. Considerable numbers of local chickens are raised widely by a majority of farmers (44 among 62) with an average figure of 13.1 and duck, sheep and goat are also kept though the number is limited.

Farm machinery in use are widely extended pest control equipment (mainly hand sprayer), irrigation pump and harvesting equipment. With regard to agricultural input, fertilizer is by far the most important item for which farmers should purchase and average spending for fertilizers (both chemical and organic fertilizers inclusive) accounts Rp 742,000. For agricultural chemicals farmer spends considerably large amount of Rp 377,000 in an average.

Agricultural production in the area under survey is diversified at large. Other crops than rice which keeps relative importance still, vegetables are grown as vital income earner, especially to farmers in KUD Waratra where white potato, tomato, and cabbage are produced in large volume.

a. Key Commodity in the Future

Farmers under the survey express the views on farm products which should be introduced or expanded in future. Majority of the farmers belonging to Waratra are anxious to expand their production in vegetable in particular. Tani Mukti KUD member indicated their desire to introduce palawija crops, vegetable, dairy cow poultry and flower. Dairy cow seems the most desired item to be introduced to farmers who belong to Bayongbong KUD palawija and vegetable also drew their attention.

b. Intention to Introduce Farm Machinery and Facilities

Since the main occupation and earning source of the farm households has been dairying and poultry,

the emphasis on anticipated mechanization has been on feeding machines (35%), milking (37%), and transportation (25.5%). However, other mechanization requirements have been: tilling (31.6%), rice planting (20%), and harvesting and threshing operations. (see table below):

FARM HOUSEHOLDS' INTENTION TO MECHANISE FARM OPERATIONS

Intention to Mechanise	WALATRA	TANI MUKTI	BAYONG BONG	Responses Received	Av. %
Tilling	03	10	06	19/60	31.6
Rice Transplanting	01	04	07	12/60	20.0
Harvesting	02	--	06	08/60	13.3
Threshing	01	--	07	08/60	13.3
Drying	03	02	04	09/60	15.0
Transportation	05	06	04	15/60	25.0
Feeding Machines	02	08	11	21/60	35.0
Milking	01	07	14	22/60	36.6
Others	--	--	--	--	--

In view of the lines of business of the surveyed farm households, and in the light of the topography of the area where the households live, it is clear that the mechanization is needed in transportation, milking, tiling and cattle-feed formulation. Some of the households have stated their need for setting up storage/warehousing facilities.

c. Demand for Credit to Improve Farm Management

The commissioned survey results of credit demand patterns for farm households in West Java is as follows:

CATEGORY	TOTAL # RESPONSES	% TOTAL RESPONSE
HOW IS LOAN SYSTEM FOR SATISFYING YOUR NEEDS?:	51	100.0
a. Sufficient	33	64.7
b. Commodities should be increased	12	23.5
c. Should not be increased	0	0.0
d. Other	6	11.8
- don't know	1	
- never borrowed		
- timeliness needed		
- need credit		

CATEGORY	TOTAL # RESPONSES	% TOTAL RESPONSE
HOW EASY IS IT TO BORROW MONEY FROM KUD?:	55	100.0
a. Easy	41	74.6

b. Difficulty of security/guarantor	2	3.6
c. Procedure is complicated	1	1.8
d. Manager/Employee are too severe	3	5.5
e. Other	8	14.5
- don't know	2	
- never borrowed		
- KUD credit still needed		
- same as worker's pay		
MAXIMUM LIMIT OF LOAN AMOUNT:	54	100.0
a. Sufficient	29	53.7
b. Too low, should be increased	23	45.6
c. Too high	0	0.0
d. Other	2	3.7
- don't know	1	
- never borrowed		
- can't say		
- don't understand		
LOAN INTEREST RATE:	53	100.0
a. Satisfactory	43	81.1
b. Can't say either way	6	11.3
c. Higher than other banks	3	5.7
d. Other	1	1.9
- don't know		
- never borrowed		
- interest is small		
- like bank		
- important for SHU (profit)		

d. The field of Farming Technology demanded

As to the service regarding agricultural production in general, 33 respondents among 62 satisfied KUD service. As many as 37 among 62 answerer satisfied the KUD guidance on technology on the application of fertilizer, agricultural chemical and farm machinery but 24 farmers expect to improve its service. Thirty six (36) farmer respondents are expressed satisfaction for the service of KUD in the field of grading and packing, but 17 respondents expect more improved service.

e. Evaluation and Demand for Business Activities (Purchasing, marketing, processing, joint shipment, joint-use facilities, terms of loan, farm guidance, better-living guidance)

The farm households have said that purchasing and marketing facilities, equipments including the Rice Milling Unit (RMUs) were inadequate and needed either renovations or upgrading (36.6%). A summary of expectations from their KUD preferred by the households is given in the following table:

2-6 EXPECTATIONS OF THE FARM HOUSEHOLDS FROM THEIR KUD

Expectations	Av. %
-Upgrading Kiosks and Waserda	18.0
-Kiosks: Expansion of Items Range	26.0
-Waserda: Expansion of Items Range	26.0
-Establishing Joint Purchasing	75.0
-Establishing Joint Marketing	75.0
-Establishing Joint-Use Facilities	75.0
-Renovate & Expand Rice Milling Capacity	36.6
-Improve/Expand Warehousing Capacity	20.6
-Improve/Expand Assembly Hall	31.6
-Expand Loan Variety	40.0
-Increase Existing Credit Limits	40.0
-Increase Farm Production Guidance	40.0
-Increase Fertilizer Guidance	40.0
-Increase Better-Living Guidance	20.6

Kiosks and waserda (15-18% wanted renovations), expansion of range of items (26%). There are no processing facilities. The distribution channels, (75%) farmers suggested promoting joint marketing through the KUD. Some of the KUDs organise joint shipment but wanted it to be increased. Joint use facilities needs promoting (75%). This obviously covers feed-mills, milk collection and handling facilities including its transportation. Although all of them said that the loans are adequate yet 38% felt it was difficult to deal with managers and the conditions of the loans were too many. 40% wanted more varieties of loans, and the maximum credit limit to be increased. 40% wanted more of guidance on farm production, and fertilizer utilization. With a view to promote harmony within the community, the farmer-members expected that their KUD could promote use of its facilities e.g., assembly halls for wedding (31.6%) etc. No regular or formal better-living activities (20.6%) are being carried out for the farmer-members by any of the three cooperatives.

Expectation to KUD

- Condition of Joining the KUD
 - a. There are plural number of members from one household, the average number from one household is 1.69 persons.
 - b. The number of farm household is 62 out of them 12 households are not joining the KUD. The KUD don't cover all farm households in the region.
 - c. Condition of contributions
 - Initial fee is Rp. 2,000 or Rp. 5,000. The number of KUD members consider the amount to be "proper" is 43 persons (90%).
 - Considering the compulsory savings, the number of KUD members consider the amount as "proper" is 39 persons (81%), as "cheap" is 8 persons.
- Evaluations and Wishes to the management of the KUD
 - a. Considering the usefulness of the KUD (whether it is useful or not), 32 persons (67%) of KUD members said "very useful". All of the KUD members gave a high evaluation.
 - b. Considering the reliability of the KUD, 25 persons (52%) of KUD members said "highly reliable". However, the evaluation was relatively poorer compared to the usefulness and satisfaction. Especially, non members gave severe evaluation than KUD members.
 - c. Considering the satisfaction of the members to KUD's activity, 73% said "satisfied", which is a very high evaluation.
 - d. Considering the frequency of KUD staff to visit the members, 83% said that during the last 1 year they got at least two visits. It can be said that every KUD actively visit their members. However, there was almost no visit to non-members, so that membership extension activity is very necessary.
 - e. Considering the members' opinion, whether it is reflected to KUD or not, 85% of the KUD members replied that it is "reflected very well", the same answers were obtain in other KUD.
 - f. Considering the conveniency of KUD's facility, 88% of members said "the present condition is good". However, a part of the members considered "it is located far" or "too small".

Table 2-6-1 Evaluation to the KUD
(respondent: 60 persons, 46 of them are members)

	Tani Mukti	Walatra	Bayongbong	Total	Ratio
- very useful (Of which : member)	12 8	11 11	18 13	41 32	66.1% 66.7
- highly reliable (Of which : member)	8 7	10 10	11 8	29 25	46.8 52.1
- satisfied on the activity (Of which : member)	16 12	13 13	13 10	42 35	67.7 72.9

- Evaluations and Wishes to the Officials and Employees

- Considering the employees 74% said "working hard", it was a high evaluation. However, there was also a part of members said "they are not working hard"
- Considering the accurateness and promptness of office works more than 70% said "accurate" and "prompt". The evaluation from non-members is more severe than that of members.

Table 2-6-2 The evaluation on the office works of KUD
(respondent: 60 persons, 46 of them are members)

	Tani Mukti	Walatra	Bayongbong	Total	Ratio
- accurate (Of which : member)	14 12	17 16	9 7	40 35	64.5% 72.9
- not accurate (Of which : member)	0 0	0 0	1 1	1 1	1.6 2.1
- prompt (Of which : member)	14 13	17 16	11 9	42 38	67.7 79.2
- not prompt (Of which : member)	0 0	0 0	0 0	0 0	0.0 0.0

- Attendance to the General Meeting and Other Gatherings

- The condition of attendancy to the general meeting is good for every KUD, nearly 100% of KUD members surveyed said "attended" the general meeting. This is probably because they attended the regional "preliminary general meeting".
- Besides the general meeting, there is gathering of kelompok tani, agricultural chemicals, cassava, beef fattening, technological guidances, etc. Especially, the kelompok tani gathering is performed twice a month. At this level of gatherings, technological training is performed intensively.
- Considering the reason for joining KUD "improvement of income and business" : 5 persons; "use of facility" : 5 persons, and use of related business and services, or matters related to the improvement of their farm management. Other main reasons, "obtain knowledge on technology" and "exchange information" are responded by 3 persons respectively. Also, 6 persons said matters related to organization activity of the KUD, it indicated eagerness to participate in the KUD activity. It is observed that the KUD members have strong concerns for their individual business, or have a good understanding on the KUD's activity.
- The reason for being a member of KUD is almost the same as the reason for joining, but the number of response was small.

- The Role of the members in KUD

- The results of the questions related to the condition of assuming as officials, among the KUD

members responded, 5 persons are assuming the officials, 2 of them are directors. Responses whether they are assuming officials in desa, etc., was not obtained.

- Questions for Non-Members

- a. Almost all of respondents answered that they want to be a member, and there is no difficulty for joining. Also, if they finally joined, the merit they expect are mainly use of the KUD business.
- b. The reason for not joining is responded by 3 persons. The contents are "they didn't have a chance" and "income is not stable".

3 THE SUMMARY OF THE RESULTS OF THE COMMISSIONED SURVEY (South Sulawesi)

3-1 Outline of the Respondent

	SEMANGAT	LAMASI	MATUTU	TOTAL	
Condition of Respondent					
1	Number of respondent family	20 fam.	20 fam.	20 fam.	60 fam.
2	Number of respondent	20 prs.	20 prs.	20 prs.	60 prs.
	- male	20 prs.	18 prs.	20 prs.	57 prs.
	- female	0	2 prs.	0	3 prs.
3	KUD Member	15 prs.	16 prs.	15 prs.	46 prs.
4	Non member	5 prs.	4 prs.	5 prs.	14 prs.
Condition of the Family Head					
5	Number of family head	20 prs.	20 prs.	20 prs.	60 prs.
	- male	20 prs.	17 prs.	20 prs.	57 prs.
	- female	0	3 prs.	0	3 prs.
6	KUD member	15 prs.	16 prs.	15 prs.	46 prs.
7	Non member	5 prs.	4 prs.	5 prs.	14 prs.
8	Farmer	15 prs.	20 prs.	19 prs.	54 prs.
9	Other job	5 prs.	2 prs.	1 prs.	8 prs.
	(business 4, trader 1 prs.)	(repeated respond 2 prs.)	(public servant)		
The main income source of the family					
10	Agriculture	19 prs.	19 prs.	19 prs.	57 prs.
11	Laborer	1 prs.	1 prs.	1 prs.	3 prs.
12	Daily employee	2 prs.	0	0	2 prs.
13	Land rent	0	0	0	0
14	Others	1 prs.	1 prs.	0	2 prs.
	(repeated respond 3 prs.)	(repeated respond 1 prs.)			

* The samples of the survey were selected by interviewers and the the KUD chairman with special considerations to obtain impartial respondents.

3-2 Rural Community and Rural Economy.

- Customs, Ceremonies and Social Life in Rural Community.

Most probably, customs and ceremonies common in other places in Indonesia are also common to South Sulawesi's communities. In general, old tradition is giving way to mechanized practices of modern farming. Some activities, however, are still conducted by farmers once in a while, for instance the hunting of rats by the whole village just after harvesting time. Among several traditional local ceremonies which are still preserved is the Lotang in September or October. This is when a small group of farmer pray to God for His protection of their land from such pest as insect and rat. Similar processions, but in larger scale, are the Wayan, Harvesting Party, and Maccera Ase, all in December and often include local government officials who join the thanksgiving pray. The KUDs usually take these opportunities to promote their services.

Social life in South Sulawesi's villages is similar to that of other places in Indonesia. There has been a gradual change in which people begin to abandon the principle of "gotong royong" (togetherness), although several activities still manifest this principle, i.e erecting traditional houses, cleaning up waterworks, wild boar hunting, etc.

- Prerogatives of Various Economic Entities

Small shops and kiosks are the main economic entities in many villages in South Sulawesi, and they play a vital role in providing farmers with daily necessities and input for their production activities. There are several cases in which these entities also act as distribution channels for farmers' products. While home industries have become an alternative for farmers to create added-values for their products and an additional sources of income.

3-3 Agricultural Production

- Distribution of Agricultural Input Material such as Makers and Dealers of Chemicals, Vinyl, Feed-stuff

While the production of most of the agricultural inputs e.g., urea, other chemical fertilisers and farm chemicals and paddy seeds remains in the hands of the government-owned companies, the distribution is channelled through the KUD system. Supply of farm inputs for estate crops is done through the PT Pertani.

The vinyl sheeting is not used in South Sulawesi. There is no significant dairy livestock development or dairy activity in the province. However, there is a large number of cattle mainly for farming and meat production purposes. These are owned by private individuals and some companies. They obtain their feed-stuff supplies from the local market. There are no major cattle-feed formulators in the province. The cattle-feed is generally imported from Java.

- Distribution of Farm Machinery (Makers and Dealers)

The situation of farm machinery in the province is as follows:

Type of Farm Machinery	1993	1994	% of 1993
2-Wheel Tractors	7,416	8,235	110.0
Tractors/all types	419	566	135.0
Hand Sprayers	120,577	131,714	109.2
Other Pest Control Eqpt	1,924	3,356	174.4
Threshers	1,531	13,510	882.4
Paddy Processors	13,212	13,799	104.4
(out of which, RMU)	(5,785)	(6,242)	(107.8)
Water Pumps	1,053	851	80.8

Source: Statistik Indonesia-Year Book 1994. BPS-Jakarta

A majority of farm machines are within the KUD sector. Some of the equipments have been imported and some have been locally assembled. Some of the farm machines have been acquired under OECF and Kennedy Round programmes. Nearly all the KUD owned paddy drying platforms and small godowns to hold paddy and rice. Some transportation vehicles are also owned by the KUD. Cooperatives are not reported to own any cold stores or any other agro-processing units.

3-4 Agro-Processing and Its Distribution

- Demand of Major Farm Products (Commodities, Form of Processing, Consumption)

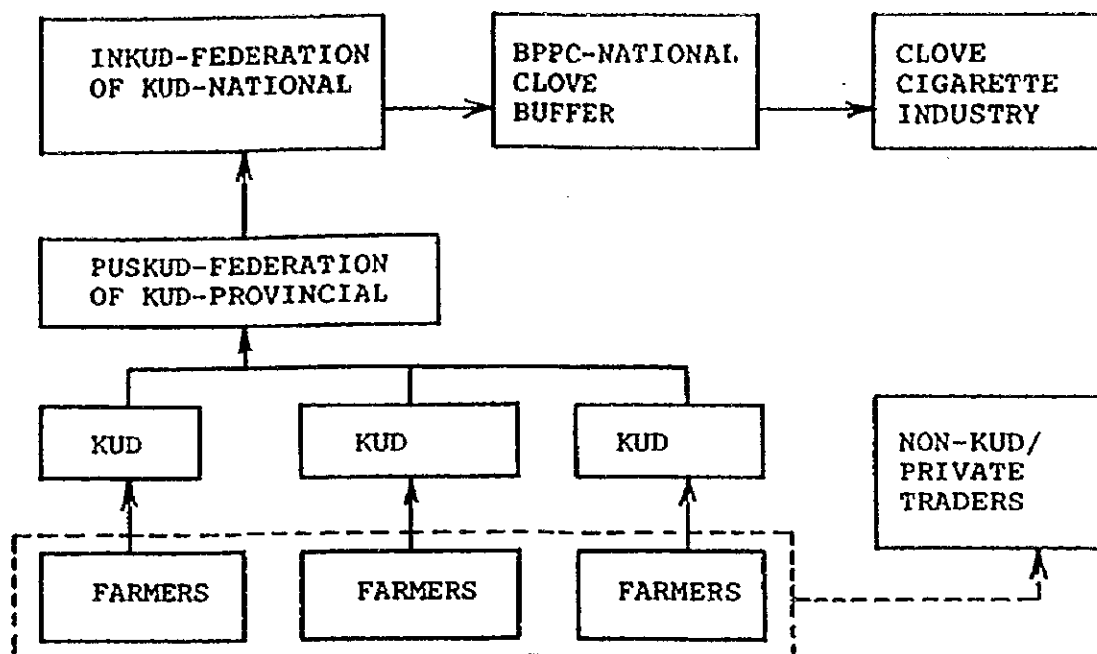
Major farm products of the province have been rice, corn, cassava, fruits and cash crops. The production of major commodities of South Sulawesi in 1992, 1993 and 1994 has been as follows:

Commodity (Tons)	1992	1993	1994	% of 1992
Paddy	3,472,456	3,303,591	3,963,516	114.1
Corn	592,631	533,577	602,611	101.6
Soybeans	88,191	77,146	109,663	125.0
Cassava	560,093	635,735	542,895	96.9
Groundnut	61,651	49,036	70,483	112.9
Potato	26,345	27,979	28,640	111.5
Red Onion	26,441	28,540	32,647	126.9
Cabbage	34,158	51,825	61,431	179.4
Tomato	17,255	18,174	19,120	111.7
Cucumber	4,453	6,207	7,130	175.0
Durian	10,944	37,183	39,315	354.5
Papaya	27,181	33,473	34,622	129.6
Banana	458,344	702,329	794,634	173.5
Mango	128,529	169,201	198,950	154.2
Coffee/Robusta	14,086	15,129	12,824	92.8
Coffee/Arabika	4,278	5,035	4,833	125.0
Cloves	9,686	9,030	8,336	80.0
Cashewnut	12,151	13,848	14,740	125.0
Coconut	127,549	132,558	124,288	96.8

--Source: -Statistik Indonesia-Year Book 1994. BPS Jakarta
 -Annual Report 1995/96 Kanwil Pertanian, SulSel

Other important products of the province in 1994 have been : Cocoa (77,873 T), sugarcane (43,889 T), vanilla (41 T), cotton (2,795 T), tobacco (652 T), kemiri (17,274 T), sagu (14,834), Palm Oil (8,441 T), and rubber (5,855 Tons).

The production of cloves in the province has been in the region of 8,000-9,000 tons per year. KUD and the Puskud have been engaged in the procurement of cloves for the National Cloves Buffer Stock (BPPC). The procurement of clove is shown in the flow chart, as follows:



[KUD have been designated as units for procurement of cloves for the national buffer stock. To meet the demands of the open market, non-KUD and private traders procure cloves from the farmers. The BPPC is the sole supplier of cloves to the clove cigarette manufacturers.]

Some of the agricultural products of the province were exported. The situation of exports during 1994 and 1995 was as follows:

Commodity	Volume Exported (T)			Value Exported (US\$)		
	1994	1995	%	1994	1995	%
Cassava Chips	61,094	51,600	15.5	6.19m	7.37m	18.9
Markisa Syrup	144	198	37.7	0.10m	0.18m	84.8
Wheat Pollard	70,021	95,247	36.0	5.23m	8.44m	61.2
Coffee/Arabika	2,963	1,331	55.0	11.07m	4.41m	60.1
Coffee/Robusta	4,440	477	89.2	9.54m	1.45m	84.7
Cocoa	146,130	119,277	18.3	150,56m	134.16m	10.8

Other agricultural commodities exported from the province included: Cashewnut, pepper, rubber, tea, molasses, copra.

Rice is the major farm product followed by vegetables and some cash crops. Rice is distributed in the open market and to the national food stock (Bulog). Vegetables are consumed in the local market. Cash crops are collected by private traders and some through the KUD network. There is some production of 'markisa' fruit which is converted into syrup by several companies including by a joint venture in which the Puskud also holds shares. There is no major agro-processing industry within the cooperative sector. Milk production is insignificant, and whatever is produced is consumed locally.

The Province has some poultry activity. The following table shows the number of broilers and local chicken in South Sulawesi:

Item	Production (Tons)		Distribution out of SulSel	
	Year	Tons	Quantity	Percentage
Local Chicken	1990	8,273	NA	-
	1994	9,945	NA	-
Broilers	1990	1,419	NA	-
	1994	2,192	NA	-
Eggs (all)	1990	30,049	17,307	57.5%
	1994	44,983	21,552	47.9%

There are no processing facilities in the province for grading, packing and shipment except for some traditional facilities.

Similarly in the sector of livestock, vegetable and fruits processing, the facilities remain traditional and insignificant.

The livestock situation and processing facilities in the province are as under:

Commodity (Nos)	1992	1994	Percent
Beef Cattle	1,235,900	785,396	63.5
Buffalo	539,000	321,326	59.6
Horse	224,800	167,139	74.3
Goat	642,100	436,599	67.9
Sheep	11,600	1,732	14.9
Duck	3,846,900	2,244,225	58.3

Source: -Statistik Indonesia-Year Book 1994. BPS-Jakarta
-Annual Report 1995/96. Kanwil Pertanian, SulSel

There were 59 government-owned slaughter houses in the province including one in the private sector. The slaughter houses are traditional in character with no professional processing, handling and packaging facilities. There were 12 units of freezer trucks in the Province during 1994. In addition, there are 6 cattle markets and 4 mini-ranches.

Given below is the production of meat in the province during the year 1994:

Beef	...	50,530 heads...	8,106 Tons
Buffalo Meat	...	26,338 heads...	4,529 Tons
Horse Meat	...	2,016 heads...	251 Tons
Sheep/Domba Meat	...	6,848 heads...	78 Tons
Pig Meat	...	32,671 heads...	1,815 Tons

-Technical Level of Major Agro-Processed Farm Products by Commodities

The technical level of agro-processing in the province still remains to be developed. The only major agro-processing is paddy milling in view of the demand for clean rice from Bulog as well as from the open market. Rice milling units are too small and ineffective to produce quality rice.

- Major Agro-Processing Business Entities, Volume of Production and Facilities

In 1994 there were 12,849 paddy processors, and 5,975 rice milling units in the province.

The rice processing units are within the KUD and non-KUD sector. These are of 0.5 ton to 4 tons per hour capacity. At the end of 1993 the position of rice milling units in the province was as under:

Year	Total Units	Units in KUD	Units in Non-KUD
1990	5,932	171	5,761
1993	1,800	178	1,622

The facilities with the KUD are too small. A majority of large-size rice mills are in the private sector.

There were 213 other agro-processing units in the province in 1994, as follows:

Sugar processing factories ...	3
Cotton processing factories ...	2
Rubber processing factories ...	4
Palm Oil processing unit ...	1
Coffee seeds processing units ...	155
Sugarcane processing units ...	4
Cocoa processing units ...	41
Other processing units ...	3

- Marketing Area of Major Farm Products, Distribution System

For agricultural products e.g., vegetables, fruits and some cash crops, the major destinations for shipping are the wholesale markets in Java, as well as within the province itself.

The farm households or the KUD have not established any joint handling, joint marketing or joint shipment facilities except for the provision of some transport and/or negotiating the deals.

- Business Customs and Its Practice (Pricing, Accounts Settlement)

These practices are more or less fixed. Some slight variations occur due to the type of commodity and its degree of durability and perishability. The terms are generally cash-upon-delivery of goods. However, for larger values the transactions can be partly cash and partly through bank instruments. In the case of various commodities, the customs can be enumerated as under:

a) Rice:

The procurement is under the government programme. The procurement price is fixed by the government. The farmers sell their paddy/rice to the KUD against this fixed price. The KUD pays the farmers generally through their account in the cooperative. The surplus paddy is sold by the farmer in the open market, in cash and rarely to the trader who comes to his house with cash in hand. In this case the terms are cash, and in many cases, a token advance payment is also made to the farmers for the next crop.

b) Vegetables:

The transactions are usually cash-and-carry from the road-head.

c) Cash Crops:

Except for clove, all transactions are on cash-and-carry basis. The price for cloves procurement is fixed by the government, and the payments to the farmers are made through the cooperative.

d) Poultry:

Generally the terms are cash upon collection from the producer. The middleman, in turn, either sells the commodity on cash terms to the retailer or on payment-after-sale basis.

3-5 Actual Situation of Agriculturists and Their Demands

(1) Actual situation of agriculturists

- Ownership of farmland area

Survey covered 60 farmers in three KUDs (20 farmers/KUD) in South Sulawesi indicates that farmers in KUD Matutu cultivate farm land area in average of 3.09 ha and 35.22% from that number classified as land leased. However, 10 farmers in the KUD cultivate farmland area equal to 2.0 ha or more. Different from farmers in KUD Matutu, farmers in KUD Lamase have smaller area. They cultivate farmland in average of 1.23 ha/farmer, where 11.18% from that number classified as land leased. In fact major farmers have farmland ranges from 0.5 to 1 ha. Furthermore farmers in KUD Semangat cultivate farmland area an average of 1.63 ha/farmer and 8.31% from that number classified as landleased. Actually 8 farmers in this KUD cultivate farmland equal to 2 ha or more.

Table 3-5-1 Number of Household by Ownership of Farmland Area

Size of Farmland Area (000 M ²)	Frequency				Percent			
	Name Of KUD				Name of KUD			
	Mat	Lam	Sem	Total	Mat	Lam	Sem	Total
< 2.5	14	18	13	45	77.8	90.0	81.3	83.3
2.5 - 5.0	4	2	3	9	22.2	0.0	18.7	16.7
5.1 - 10.0	0	0	-	0	0.0	0.0	0.0	0.0
10.1 - 15.0	0	0	-	0	0.0	0.0	0.0	0.0
15.1 - 20.0	0	0	-	0	0.0	0.0	0.0	0.0
> 20.0	0	0	-	0	0.0	0.0	0.0	0.0
Total	18	20	16	54	100	100	100	100; n=57

Table 3-5-2 Ownership of Farmland Area

		Name of KUD			
		Matutu	Lamasi	Semangat	Total
Owned	Total Area		230,441	276,200	851,901
	Average %	345,260 60.9 19,181	78,611,522	17,263 65.2	15,776,664
Leased	Total Area		62,790	147,100	431,510
	Average %	221,620 39.1	3,140 21.4	9,194 34.8	7,991 33.6

Total	Total Area Average %	566,800 100.0	293,231 14,662 100	423,300 26,456	1,283,331 23,765 100.0
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- Farm Management Pattern

According to the survey result, an average acreage of farmland under cultivation ranges between 2.1ha (KUD Semangat) and 2.8 ha (Matutu) within which paddy field shares between 1.9 ha(Matutu) and 2.2 ha(Semangat). Cultivated land used for paddy is between 80% and 90% .

Other agricultural products registered in the questionnaire are : watermelon, mango, orange, banana, coconut, coffee, cocoa and cashew. As to livestock, other than local chickens which are kept by most of farmers, following big and small animals are entered into statistics: cattle, pig, layer hen, duck and goat, though figures are not so remarkable.

A few farmer uses 2 and 4 wheel tractor, but considerable number of pest control equipment extends to a large part of farmers. The largest number of farmers(26 among 60) of the KUD member indicated their desire to introduce paddy transplanting machine to cope with labor shortage.

Other main farm works which farmers want to mechanize, excepting transplanting are harvesting (16), drying(13), tilling and threshing(12) and others.

Majority of farmer purchase paddy seeds, chemical fertilizer and agricultural chemicals through KUD and apply to their field.

An average production of paddy per farmer in 3 KUD is between 7.6t and 10.9t and the rate of the rice sold to the production is as high as 68 to 93 %.

- Cultivate farmland area by commodities and number of livestock.

Paddy takes the most largest area in three KUDs. i.e. 70.55% from total area in KUD Matutu, KUD Lamasi 88.84% and KUD Semangat 98.98%. In KUD Matutu 23.99% from total area classified as another usage and the rest is for orchard and residential site. In KUD Lamasi, orchard takes 7.47% and the rest used for residential site, upland commodities and other facilities. Whereas in KUD Semangat upland commodities, orchard and other facilities just take 1.02% from total area. Beside having cultivation activities, farmers in these KUDs also raise some livestock. Local chicken becomes the most largest animal farmers raise. In general, each farmer have nearly 12 local chickens. Few farmers in KUD Semangat also raise broiler and duck largely. In addition, some farmers in KUD Matutu also raise some beef catties, hen layers and ducks. Pigs also have been raised particularly by few farmers in KUD Lamasi.

Table 3-5-3 Number of Household by Cultivated Farmland Area

Number of Farmland Area (Ha)	Frequency				Percent			
	Name of KUD				Name of KUD			
	Mat	Lam	Sem	Total	Mat	Lam	Sem	Total
< 2.5	11	17	16	44	57.9	785.0	84.2	75.8
2.5 - 5.0	7	3	2	12	36.8	315.0	10.5	20.7
5.1 - 10.0	0	0	0	0	0.0	0.0	0.0	0.0
10.1 - 15.0	0	0	1	1	0.0	0.0	0.0	1.7
15.1 - 20.0	1	0	0	1	5.3	0.0	0.0	1.7
> 20	0	0	0	0	0.0	0.0	0.0	0.0
Total	19	20	19	58	100	100	100	100

Table 3-5-4 Cultivated Farmland Area

		Name of KUD			
		Matutu	Lamasi	Semangat	Total
Paddy Field	Total Area	379,420	266,500	430,500	1,070,460
	Average	19,969.4	13,325	22,657.9	17,559.0
	%	70.6	90.9	101.7	85.9
Upland	Total Area	18,900	5,000	400	24,300
	Average	994.7	250	21.1	419.0
	%	3.5	1.7	0.1	1.9
Orchard	Total Area	8,800	21,906	2,050	32,756
	Average	463.2	1,095.3	102.5	564.8
	%	1.6	7.47	0.5	2.6
Residential site	Total Area	1,160	2,196	-	3,356
	Average	61.1	109.8	-	57.9
	%	0.2	0.7	-	0.3
Livestock Facility Area	Total Area	-	131	-	131
	Average	-	6.55	-	2.3
	%	-	0.04	-	0.01
Other Land Area	Total Area	129,000	3,500	2,000	134,500
	Average	6,784	175.0	2,000	2,319.0
	%	24.0	1.2	0.5	10.7
Total	Total Area	537,280	293,231	423,300	1,253,811
	Average	28,277.9	14,662	22,278.9	21,617.4
	%	100.0		100.0	100.0

Table 3-5-5 Number of Livestock

		Name of KUD			
		Matutu	Lamasi	Semangat	Total
Beef Cattle	Amount	25	3	-	28
	Average*	12.5	0.15	-	7.0
Work Cattle	Amount	-	7	-	7
	Average*	-	0.35	-	3.5
Bali Cattle	Amount	33	9	-	42
	Average*	11.0	3.0	-	8.4
Pig	Amount	-	54	-	54
	Average*	-	13.5	-	13.5
Local Chickens	Amount	194	335	172	701
	Average*	14.9	23.9	12.3	17.1
Hen Layers	Amount	1,500	15	-	1515
	Average*	1,500	15	-	757.5
Boiler	Amount	-	-	3,000	3,000
	Average*	-	-	3,000	3,000
Duck	Amount	79	59	181	319
	Average*	4.7	14.8	16.5	16.8
Sheep	Amount	-	3	-	3
	Average*	-	3	-	3
Goat	Amount	10	-	-	10
	Average*	10.0	-	-	10.0
Others	Amount	-	16	-	16
	Average*	-	16	-	16.0

Note: * = average per household

- Situation of Holding of Farm Machinery and Facilities

75% of the 60 farm households surveyed in the area of operation of three KUDs (KUD SEMANGAT, KUD LAMASI and KUD MATUTU) were engaged in farming. The main family income is also from farming. On an average 88-89% of the family income is derived from paddy rice cultivation. Other crops are fruits and vegetables and some cash crops which are economically not so significant. The farmer-members have acquired some farm machineries, equipment and facilities. Among the most expensive ones are 5 units of 4-wheel tractors and 5 units of hand-tractors. There were 24 hand sprayers, 13 mist blowers and 12 power sprayers besides other items e.g., threshers, fan mills, comb threshers. The highest concentration of farm machinery has been in KUD Matutu household families.

Produce storage facilities owned by the household members of the three KUDs include: produce storage 853m²; farm equipment garage 20m²; cattle shed 186m²; and poultry house 373.3m².

Except for the 4-wheel tractors, rest of the farm machinery and equipment is locally assembled in Indonesia. Almost 90% of the farm machinery and equipment have been purchased by the members from private traders. Only 21.6% of the 60 households surveyed had purchased farm equipment from their KUDs.

- Family members and number of person engaged in farming.

About 43% farmer undersurvey have family members ranges from 4 to 6 persons, 34% have family member ranges from 7 to 9 and 19% have family member ranges from 1 to 3 persons. Number of family members involve in farming activities is about 5 to 6 persons per family in these three KUD .

Table 3-5-6 . Number of Household by Number of Family Members

Number of Family Members	Frequency				Percent			
	Name of KUD				Name of KUD			
	Mat	Lam	Sem	Total	Mat	Lam	Sem	Total
1 - 3	4	5	2	11	21.1	26.3	10.5	19.3
4 - 6	9	6	10	25	47.4	31.6	52.6	43.9
7 - 9	5	8	6	19	26.3	42.1	31.6	33.3
>/10	1	-	1	2	5.3	-	5.3	3.5
Total	19	19	19	57	100	100	100	100

Table 3-5-7 Number of Family Members

Sex	Name of KUD							
	Matutu		Lamasi		Semangat		Total	
	Amount	Ave.	Amount	Ave.	Amount	Ave.	Amount	Ave.
M	59	3.0	55	2.9	56	2.9	170	3.0
F	56	2.8	48	2.5	54	2.8	158	2.8
Total	115	5.8	103	5.4	110	5.8	328	5.8

Table 3-5-8 Number of Household by Number of Persons Who Engaged in Farming

Number of Family Members	Frequency				Percent			
	Name of KUD				Name of KUD			
	Mat	Lam	Sem	Total	Mat	Lam	Sem	Total
1 - 3	16	14	14	44	84.2	70.0	73.9	75.9
4 - 6	3	4	4	11	15.7	20.0	21.1	19.0
7 - 9	-	2	1	3	-	10.0	5.3	5.2
>/10	-	-	-	-	-	-	-	-
Total	19	20	19	58	100	100	100	100

Table 3-5-9 Number of Persons Who Engaged in Farming

Sex	Name of KUD							
	Matutu		Lamasi		Semangat		Total	
	Amount	Ave.	Amount	Ave.	Amount	Ave.	Amount	Ave.
M	37	1.9	36	1.8	45	2.4	118	2.0
F	6	0.3	20	1	8	0.4	34	0.6
Total	42	2.2	56	2.8	53	2.8	152	2.6

- Farm household income and balance of farm management

In average, farmers in KUD Lamasi have the highest annual income comparing with another farmers in two KUDs. To make it more detail, farmers in KUD Lamasi have annual income an average of 8.12 millions/farmer, where 87.52% from that number come from agricultural activities. Farmers in KUD Semangat have annual income an average of 6.02 million per family and 82.77% from total incomes farmers earned comes from agricultural activities. Finally, farmers in KUD Matutu have annual income an average of 0.5million per farmers and 82.75% from total income they earned comes from agricultural activities.

Table 3-5-10 Number of Household by Annual Family Income

Amount of Family Income (000,000)	Gross Agri Income				Non Agri Income				Total Income			
	Mat	Lam	Sem	Tot	Mat	Lam	Sem	Tot	Mat	Lam	Sem	Tot
< 2.0	4 21	6 30	3 15	13 22	16 80	16 80	19 95	51 85	2 10	2 10	2 10	6 10
2.00-4.00	8 42	7 35	9 45	24 41	3 15	4 20	0 0	7 12	6 30	7 35	9 45	23 38
4.01-6.00	3 16	3 15	3 15	9 15	0 0	0 0	0 0	1 2	4 20	6 30	3 15	13 22
6.01-8.00	2 11	1 5	3 15	6 10	0 0	0 0	0 0	0 0	3 15	1 5	3 15	7 12
> 8.00	2 11	3 15	2 10	7 12	0 0	0 0	1 5	1 2	4 20	4 20	3 15	11 18
Total	19 100	20 100	20 100	59 100	19 100	20 100	20 100	59 100	19 100	20 100	20 100	59 100

Table 3-5-11 Annual Family Income

Sources of Income		Name of KUD			
		Matatu	Lamasi	Semangat	Total
Gross Agri-Income	Total	75,577,660	82,182,000	79,885,000	237,644,660
	Average	3,977,772	4,109,100	4,699,188	4,243,655
	%	79.88	79.5	90.8	83.1
Non Agri-Income	Total	19,040,000	20,400,000	8,050,000	8,050,000
	Average	1,002,105	1,020,000	473,529	473,529
	%	20.12	19.7	9.2	9.2
Total Income	Total	94,671,660	103,382,000	87,935,000	87,935,000
	Average	4,979,877	5,169,100	5,172,647	5,172,647
	%	100.0	100.0	100.0	100.0

Table 3-5-12 Number of Household by Net Agricultural Income

Amount of Family Income (000.000)	Gross Agri Income				Production Expenses				Net Agri Income			
	Mat	Lam	Sem	Tot	Mat	Lam	Sem	Tot	Mat	Lam	Sem	Tot
< 2.0	5 26	8 40	3 16	16 28	17 89	16 80	6 32	51 86	6 32	11 55	6 30	23 39
2.00-4.00	7 37	6 30	9 47	24 41	2 11	4 20	7 37	7 12	7 6	6 30	9 45	22 37
4.01-6.00	4 21	2 10	3 16	9 16	0 0	0 0	0 0	0 0	0 0	6 32	0 0	9 15
6.01-8.00	2 11	1 5	3 16	6 10	0 0	0 0	0 0	0 0	0 0	0 0	2 10	2 3
> 8.00	1 5	3 15	1 5	5 27	0 0	0 0	0 0	0 0	0 0	0 0	1 5	2 3
Total	19 100	20 100	19 100	58 100	19 100	20 100	19 100	58 100	19 100	20 100	19 100	58 100

Table 3-5-13 Balance of Farm Management

Sources of Income		Matatu	Lamasi	Semangat	Total
Gross Agri-Income	Total	69,650,000	78,512,000	93,790,000	241,952,000
	Average	3,665,789	3,925,600	4,936,316	4,171,586
	%	100	100	100	100
Production Expenses	Total	17,412,000	20,436,500	31,883,000	69,731,500
	Average	916,412	1,021,825	1,678,053	1,202,267
	%	25.0	26.0	34.0	28.8
Net Agri. Income	Total	52,238,000	59,075,500	61,932,000	173,245,500
	Average	2,749,368	2,953,775	3,259,579	2,986,991
	%	75.0	75.2	66.1	71.6

- Situation of Off Farm and Seasonal Works.

Geographically, rural people in South Sulawesi can be divided to some groups based on what kind of their customs to utilize their spare time. In Toraja tribe, rural people can do additional productive activities and, of course, get additional income, from non-agricultural sources. The most important non-agricultural activity is in tourism (traditional guide, handicraft, trade in tourism market, etc.). They usually do these activities if their main job as a farmer still in waiting to next part of job.

Other off-farm or seasonal activities usually done by fishermen. About 4 days before full moon and 4 days after one, only very small fishermen go to the sea because of natural cycle of fish. At that time, fishermen don't go to the sea. Some part of them fill these time to do non-fishery activities (make a net for sell to other persons, for instance).

In other places, especially in non-tourism and non-sea side areas, farmers in South Sulawesi don't do anything - except wait of course - to utilize their spare time.

- Measures for obtaining Farming Technology

It is clearly indicated that source of farming techniques is primarily relying on PPL (Agricultural Extension Field Worker). Among 60 farmers under survey, 52 or 87% of farmers get such technical know-how from PPL. Those who are obtaining from KUD staff account 8 among 60 respondents. Other sources on agricultural technology scatter among parent, neighbor, dealer and middleman. The farmer who has never been given such information accounts 2 in the respondents.

In addition to the above, a large number of farmers under survey informed that they took part various opportunities of training courses and meeting with the subject concerning agricultural technology, water use, better living and so forth.

- Measures for Obtaining Production/Consumer Goods (Situation of Using KUD)

Farmer-members have obtained their production/consumer goods through various channels. The KUDs have been used by the members to sell bulk of their paddy at government guaranteed prices. The KUDs have also been used by the members to purchase some of the controlled commodities which are sold by the KUD at regulated prices. Otherwise the farmers have been free to use any channel which appears to them to be more economically-advantageous. 86.6% of the members purchased chemical and organic fertilizer from their KUDs, but only 20 members (33.3%) purchased their requirements on 100% basis from the cooperative. 42 members (70%) purchased their pesticides and only 11 members had purchased their 100% requirements from their KUDs. These requirements include: paddy seeds, farm machines, consumption items like rice, fish, other food stuff and some clothing. The highest utilization of the KUD facilities has been to purchase fertilizer and farm chemicals including some seeds.

On an average farmers get 89.6% of their agricultural income from rice cultivation; 3% from livestock, 2.6% from cash crops, 1% from fruits and vegetables and 3% from other agricultural operations. (see the table given below).

BREAK-UP (PERCENTAGE) OF AGRICULTURAL INCOME OF FARM HOUSEHOLDS : 3 KUD AREAS IN SOUTH SULAWESI

Source of Income	SEMANGAT	LAMASI	MATUTU	Av.%
Rice	98.4	89.0	82.0	89.6
Livestock/Dairy	1.0	1.8	7.0	3.0
Fruits and Veg.	—	2.1	1.1	1.0
Cash Crops	—	2.0	6.0	2.6
Other Income	0.5	5.3	4.5	3.0

The most prominent source of income for the households has been rice cultivation only.

The farm households have been making use of the small consumer stores, waserdas or kiosks owned by their 3 KUDs. The variety of expenses incurred by the households on various items has been on food, education, clothing and others. (see table below).

BREAK-UP (PERCENTAGE) OF HOUSEHOLD EXPENSES

Expenses	SEMANGAT	LAMASI	MATUTU	Av.%
Food	55.37	51.0	43.0	49.8
Clothing	11.60	12.0	16.0	13.3
Housing	3.00	7.5	9.1	6.6
Education	20.00	20.3	22.8	21.0
Ceremonies	3.76	6.0	3.1	4.2
Others	6.12	3.2	6.1	5.1

Although the members have expressed their satisfaction with the existence of the waserdas (retail sales outlets) and kiosks, they have made some comments on their operations. Some of the observations have been: these are too small; need to be brighter; should have a wider range of goods; the price range has to be advantageous; and some need renovations.

In addition, the farm households have made use of the purchasing business facilities of their KUD in the form of kiosks and warehouses. Members have found these to be good but expressed that they all needed improvements.

- Merchandise Ratio and Marketing Methods of Farm Products (Situation of Using KUDs)

Main crops, which are on procurement list of the government for purposes of national food stock, are generally offered by the farmer-members to their KUDs. These are sold by the members at government-designated prices. Whatever is left behind, the members sell the surplus in the open market on "cash-and-carry" basis because they needed money for their own use and for next cultivation.

In the case of cash crops, fruits and vegetables, poultry and dairy products, the members sold their products directly to the concerned dealers because the prices they received was always in cash. Some of the members carried their farm products themselves to the nearby town centres and sold them there against cash.

(2) Intention For Farm-management

- Key Commodity in the Future

Farmers under survey express the view on expanding or introducing products in the future. The item widely varies. The number of farmers who indicated their intention for the items is described in order as follows : Parawija 20 farmers , poultry 16, fruit 13, fish culture 18, vegetable and beef cattle 5, cocoa 4 flower 2 and 1 for dairy cow and goat.

- Intention to Introduce Farm Machinery and Facilities

Some of the members have been using power-driven farm equipment e.g., hand tractors, power sprayers, portable pumps etc. In the recent past, the number of farm equipment has also increased. The trend to mechanize farm operations has been set in motion in view of the need to grow more food of quality which is safer and healthier for human beings. Machines also try to overcome the problem of farm labour shortage. In response to the survey, the farm household members had indicated the mechanization of some segments of farm operations. (see table below):

FARM HOUSEHOLDS' INTENTION TO MECHANISE FARM OPERATIONS

Intention to Mechanise	SEMANGAT	LAMASI	MATUTU	Responses Received	Av. %
Tilling	8	7	5	20/60	33.3
Rice transplantation	8	10	8	26/60	43.3
Harvesting	5	7	6	18/60	30.0
Threshing	3	2	4	09/60	15.0
Drying	8	4	2	14/60	23.3
Transportation	3	-	3	06/60	10.0
Feeding Machines	3	3	1	07/60	11.6
Milking	-	2	-	02/60	3.3
Others	-	-	1	01/60	1.6

With the increase of farm machines and the projected mechanization of farm operations, there would also be the need for setting up farm machines service centres/automobile workshops. There will also be the need for providing appropriate training to the farm machine operators besides instituting some vocational training to the members of household.

- Needs of KUD Member Farmer on Farming Technology

The number of farmer who expects much more service on technological guidance by KUD reached to 19, on one hand, and 29 respondents expressed their satisfaction on current service rendered by KUD, on the other.

To be more specific, as to additional service on technology in the field of application of fertilizer, agricultural chemical and farm machinery, farmer wanting more service accounts 12 but satisfaction on the current service was expressed by 39 farmers.

Farmers expecting better service on the technology for grading and packaging account 22, on one hand, and 30 respondents satisfied on the current situation, on the other.

(3) Expectation to KUD

- Condition of Joining the KUD

- There are plural number of members from one household, the average number from one house hold is 2.18 persons. Out of 48 households joining the KUD, there are 33 households with plural members.
- The number of farm household is 58 out of them 12 households are not joining the KUD. The total farm household not covered by KUD.
- Condition of contributions
 - Initial fee is Rp. 1,000 or Rp. 5,000. The number of KUD members consider the amount to be "proper" is 32 persons, to be "cheap" is 6 persons.
 - The compulsory savings is set relatively low, and the number of KUD members considere the amount to be "proper" is 31 persons, to be "cheap" is 8 persons.

- Evaluations and wishes to the management of the KUD

- Regarding the usefulness of the KUD 22 persons (61%) of KUD members said "very useful", 22 persons said "useful", and 4 persons said "no idea". One person of KUD's non-member said "unuseful". KUD members gave a high evaluation to the KUD while non-members gave relatively severe evaluation compared to the KUD members.
- Regarding reliability of the KUD 76% of respondents said "highly reliable" and "can be relied". The detail is 13 persons (28%) of KUD members said "highly reliable", 31 persons said "can be relied", and 3 persons said "no opinion".

- c. Regarding the satisfaction of the members to KUD's activity, 27 persons (59%) said "satisfied", 14 persons said "no opinion", and 6 persons said "unsatisfied", the value was relatively poor. Especially at Lamasi, out of 16 persons of KUD members 4 persons said "unsatisfied".
- d. Regarding the frequency of officials and employees to visit the members, 65% of members said that during the last 1 year they got two visits, while 4 persons of KUD members in Semangat and 7 persons of KUD members in Lamasi said that during the last 1 year they only got one visit. In the future, the visiting activity would be more necessary.
- e. Regarding adoption of the members' opinion by KUD, 63% replied that "adopted very well", but there was 1 person who replied "that KUD does not listen to the opinion of members".
- f. Regarding the conveniency of KUD's facility, 89% replied "satisfied" and said "the present condition is good". However, a part of the members considered the location is "far". 50% of the members said the capacity is "small" or "since it has been old, repairment is necessary". Most of them replied the facility is too small. Non-member of KUD also had the same opinion.

Table 3-5-14 Evaluation to the KUD
(respondent: 60 persons, 46 of them are members)

	Semangat	Lamasi	Matutu	Total	Ratio
- very useful	7	9	8	24	40.0%
(Of which : member)	7	7	8	22	47.8
- highly reliable	4	6	5	15	25.0
(Of which : member)	4	4	5	13	28.3
- satisfied on the activity	12	8	13	33	55.0
(Of which : member)	9	6	12	27	58.7

- Evaluations and wishes to the Officials and Employees

- a. Considering the officers, 72% said "working hard", but there is also one persons said "not working hard"
- b. Considering the accurateness of office work 61%"accurate", while considering promptness of the employees 61% said "prompt". However, out of 15 persons of KUD members at Matutu, 13 % persons replied "prompt", which is a high evaluation. There was no gap in the evaluation of promptness among KUD, but 5 persons from the 3 KUD "not prompt".

Also, the evaluation from non-members is more severe than that of members, among the 14 persons respondents 5 persons said "correct", and 4 persons said "prompt".

Table 3-5-15 The evaluation of office works of KUD
(respondent: 60 persons, 46 of them are members)

	Semangat	Lamasi	Matutu	Total	Ratio
- accurate	10	9	14	33	55.0
(Of which : member)	9	6	16	28	60.9
- not accurate	1	1	0	2	3.3
(Of which : member)	1	1	0	2	4.4
- prompt	8	13	11	32	53.3
(Of which : member)	8	10	10	28	60.9
- not prompt	2	1	2	5	8.3
(Of which : member)	2	1	2	5	10.9

- Attendancy to the General Meeting and Other Gatherings

- a. The condition of attendancy to the general meeting is good for every KUD, 94% of KUD members surveyed said "attended" the general meeting. This is probably because they

- attended the regional "preliminary general meeting".
- b. Considering the participations to gatherings other than the general meeting, 27 persons said that they participated actively in kelompok tani gathering, technology guidance of cassava, etc.
 - c. Considering the reasons for joining KUD the objectives are related to the improvement of their farm management. Out of 38 persons who responded, 29 persons noted the services of marketing, purchasing, loan, use of service, activity, facility etc., as the reasons. Also, KUD admit center of agricultural as an activities.
This indicate that the KUD members have a strong concern for their farm management, or have a good understanding on the KUD's activity.
 - d. The reason for being a member almost the same as the reason for joining, the contents are, "use of business and facility", "good service", "can avoid use of middleman, money renders, etc."

- The Role of the member in the KUD

- a. The results of the question related to the condition of assuming as officials to the KUD members, 8 persons said they assumed the official. Some directors responded "since elected by the general assembly" while some directors are strongly determined "to improve the quality". Responds whether they have a position of officials in desa, etc., could not be obtained.

- Questions for Non Members

- a. The response from almost all of non members who are interviewed are obtained.
Almost all of respondents want to be members, and there is no difficulty for joining. Also, if they joined, the merrits they expect are related to the use of the KUD activity, such as loan, processing, marketing, service, fertilizer, etc.
- b. The reason for not joining is responded by 3 persons.
The contents are "don't know about the role of KUD", "the delivery of fertilizer is delayed", etc.

- Evaluation and Demand for Business Activities (Purchasing, marketing, processing, joint shipment, joint use facilities, terms of loan, farm guidance, better living guidance and others)

In the light of the results of the farm household surveys carried out on a selected group of members of three KUDs, it has been found that the members desire to enhance the operations of their KUDs so that the members are able to get better and timely economic services (see the table below).

EXPECTATIONS OF THE FARM HOUSEHOLDS FROM THEIR KUD

Expectations	Av. %
-Upgrading Kiosks and Waserdas	42.2
-Kiosks: Expansion of Items Range	36.3
-Waserda: Expansion of Items Range	36.3
-Establishing Joint Purchasing	30.0
-Establishing Joint Marketing	28.0
-Establishing Joint-Use Facilities	30.0
-Renovate and Expand Rice Milling Facilities	26.0
-Improve/Expand Warehousing Capacity	25.0
-Improve/Expand Assembly Hall	21.0
-Expand Loan Variety	25.0
-Increase Existing Credit Limits	25.0
-Increase Farm Production Guidance	20.0
-Increase Fertiliser Guidance	20.0
-Increase Better-Living Guidance	16.0

Warehousing and kiosks facilities are too small and need expansion (25% and 42%); range of goods and their quality need improvement (36%); waserdas are too small and need further expansion and improvement (36%); joint marketing through KUDs need to be encouraged (28%); variety of loans extended and the maximum credit limit to be increased (25%); to help overcome the problem of low fertility of land and proper shipment of agricultural produce, intensive farm guidance activities need to be instituted, e.g., better farming techniques, grading and packaging (20-16%); to promote a greater interaction with the members and their family members, the assembly halls need expansion and improvement (21%). At present there are no better-living guidance activities available to the farmers.