

**Japan International Cooperation Agency (JICA)**  
**National Development Planning Agency (BAPPENAS)**

**THE SUPPORT PROGRAM  
FOR  
AGRICULTURE AND FISHERIES DEVELOPMENT  
IN  
THE REPUBLIC OF INDONESIA**

**SECTOR REPORT (2)  
ACTION PLAN**

**MAY 2004**

**Nippon Koei Co., Ltd.**

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**Japan International Cooperation Agency (JICA)**  
**National Development Planning Agency (BAPPENAS)**

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## Updated Action Plan

(as of April 2004)

Issue	Program	No.	Name of Project	Ministry in charge	Scheme	Input	Status	2003		2004			2005			2006		
								Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Stable Food Supply and Improvement of Nutrition	Improving Institution and Production Support System	1-01	Institutional Support for Food Policy	MOA	TCP	Expert (long & short) , Training, Equip.	approved, under preliminary study to determine TOR											
		1-02	Agriculture Policy Advisor*1 (Advisor on Agriculture Policy and Programme Coordination)	MOA	Indiv. Expert	Expert (long term)	on going, newly approved											
		1-03	Food Crop Policy Advisor	MOA	Indiv. Expert	Expert (long term)	completed											
		1-04	Agriculture Infrastructure Policy	MOA	Indiv. Expert	Expert (long term)	completed											
		1-05	Project for Training of Agricultural Extension Officers on Improvement of Farm Management	MOA	TCP	Expert (long & short) , Training	on going											
		1-06	Strengthening of Market Oriented and Self-autonomy Agricultural Cooperatives	MENKOP	TCP	To be Determined	approved, preliminary evaluation to be considered											
		1-07	Cooperative Planning	MENKOP	Indiv. Expert	Expert (long term)	completed											
		1-08	Project for Dissemination of Appropriate Dairy Technology Utilizing Local Resources	MOA	TCP	Expert (short term), Training, Equip.	approved, under preliminary study to determine TOR											
		1-09	Beef Cattle Development Project based on utilizing local resources in the Eastern part of Indonesia	MOA	TCP	Expert (long & short), Equip.	to be examined											
		1-10	Livestock Development Advisor	MOA	Indiv. Expert	Expert (long term)	on going											
		1-11	Development of High Quality Seed Potato Multiplication Project	MOA	TCP	Expert (long & short) Training, Equip.	completed											
		1-12	Strengthening Network System for High Quality Seed Potato Multiplication and Distribution	MOA	TCP Grant Aid	Expert, Training, Equip. Grant Aid	TCP not approved GA to be examined											
		1-13	Quality Soybean Seed Multiplication and Training Project Follow up	MOA	TCP	Expert (long & short) Training, Equip.	completed											
		1-14	Increasing of High Quality Soybean Seed Production through Strengthening of Food Crops Seed Institution and Seed Growers Empowerment	MOA	TCP Grant Aid	Expert, Training, Equip. Grant Aid	TCP not approved GA to be examined											
		1-15	Grant Aid for Increase of Food Production 2KR	MOA	Grant Aid	Fertilizer	on going, extension approved											
	Improving Function of Agricultural Infrastructure and Sustainable OGM	2-01	Project for Empowerment Water Users Associations	Kimpraswil	TCP	Expert , Training, Equip.	on going											
		2-02	Water Users Association Strengthening *2	Kimpraswil	Indiv. Expert	Expert (long term)	on going											
		2-03	Irrigation Planning *3	Kimpraswil	Indiv. Expert	Expert (long term)	on going											
		2-04	Study on Comprehensive Recovery Program of Irrigation Agriculture	Kimpraswil	Develop. Study	Study Team	completed											
		2-05	Way Sekampung Irrigation Project (1)	Kimpraswil	Loan	Yen Credit	completed											
		2-06	Way Sekampung Irrigation Project (2)	Kimpraswil	Loan	Yen Credit	completed											
		2-07	Billibili Irrigation Project	Kimpraswil	Loan	Yen Credit	completed											
		2-08	Way Sekampung Irrigation Project (3)	Kimpraswil	Loan	Yen Credit	on going											
2-09		Small Scale Irrigation Management Project III	Kimpraswil	Loan	Yen Credit	completed												
2-10		Batang Hari Irrigation Project (II)	Kimpraswil	Loan	Yen Credit	on going												
2-11		Project Type Sector Loan for Water Resource Development II	Kimpraswil	Loan	Yen Credit	on going												
2-12		Small Scale Irrigation Management Project IV (Decentralizes Irrigation System Improvement Project in Eastern Region of Indonesia)	Kimpraswil	Loan	Yen Credit	on going												
2-13	Water Resources Existing Facilities Rehabilitation and Capacity Improvement Project	Kimpraswil	Loan	Yen Credit	on going													
Sustainable Utilization of Fisheries Resources	3-01	Project for the development and dissemination of the fisheries resource management	MMAF	TCP	Expert (long & short), Training, SV, Equip.	to be examined												
	3-02	Fisheries Planning	MMAF	Indiv. Expert	Expert (long term)	on going, extension approved												
	3-03	Technical Extension of Mariculture	MMAF	Indiv. Expert	Expert (long term)	completed												
	3-04	Project for Dissemination of Sustainable Mariculture Technology	MMAF	TCP	Expert (short term), SV	approved, under preliminary study to determine TOR												
	3-05	Project for the Promotion of the Sustainable Coastal Fisheries	MMAF	TCP Grant Aid	Expert, Training, Equip. Grant Aid	TCP approved, preliminary evaluation for TOR to be planned GA not approved												
	3-06	Freshwater Aquaculture Development Project	MMAF	TCP	Expert (long & short) Training, Equip.	on going												
	3-07	Rehabilitation and Improvement Project of Jakarta Fishing Port	MMAF	Loan	Yen Credit	L/A newly signed												
Raising Income of Farmers and Fishermen and Utilization of Rural Economy	Promoting Community-based Economic Activities	4-01	Study for Promoting Community-based Economic Activities in Agriculture	MOA	Develop. Study	Study Team	approved, preliminary study to be planned											
		5-01	Study on Improvement of Institutions and Information Systems for Agriculture Product Market	MOIT	Develop. Study	Study Team	on going											

On-going or Completed Projects
  : Projects adopted but not yet implemented
  : Projects newly planned
  : Project Digest

MOA: Ministry of Agriculture; MENKOP: State Ministry of Cooperatives and Small and Medium Enterprises; Kimpraswil: Ministry of Settlement and Regional Infrastructure; MMAF: Ministry of Marine Affairs and Fisheries; MOIT: Ministry of Industry and Trade

Note: TCP: Technical Cooperation Project L/A: Loan Agreement  
 SV: Senior Overseas Volunteer

\*1: Activities of the Agriculture Policy Advisor include a part of TOR for the Institutional Support for Food Policy.

\*2: The Water Users Association Strengthening Expert is to be involved in the Project for Empowerment Water Users Association, when the project starts.

\*3: Activities of the Irrigation Planning Expert include a part of TOR for the Project for Empowerment Water Users Association.

Name of 1-05 project is changed according to the preliminary study from the previous Project for Training of Agricultural Extension Officers to Farm Management Improvement under previous Action Plan.

Name of 2-01 project is changed according to the preliminary study from the previous Project for Promotions of Farmers Empowerment & Irrigation Management Transfer to Water Users Association under previous Action Plan.

Name of 3-01 project is changed according to official proposal from the previous Project on Coastal Fisheries Resource Management under previous Action Plan.

3-05 Project is Coastal Community Development Project merged with Women Participatory Income Generation Project for Coastal Community both under previous Action Plan, accordingly name is also changed.

Name of 4-01 project is changed according to official proposal from the previous Study for Promoting Community-based Economic Activities in Agriculture & Fisheries under previous Action Plan.

## Development Issues, Cooperation Programs and Cooperation Components

Development Issue	Cooperation Program	Cooperation Component
<b>I. Stable Food Supply and Improvement of Nutrition</b>	<b>1. Improving the Institution and Production Support System of Agriculture and Fisheries</b>	<p>1-1 Support for policy and institutional system in line with the decentralization policy</p> <p>1-2 Development of livestock industry utilizing local resources</p>
	<b>2. Improving the Function of the Agricultural Infrastructure and Sustainable Operation &amp; Maintenance</b>	<p>2-1 Support for turnover of irrigation O&amp;M to WUAs and local governments</p> <p>2-2 Strengthening of WUAs and local governments for the above-mentioned purpose</p> <p>2-3 Rehabilitation of existing facilities and development of small scale irrigation for the above-mentioned purpose</p>
	<b>3 Sustainable Utilization of Fishery Resources</b>	<p>3-1 Cooperation in establishing the resource management system for sustainable development of coastal and inland open water capture fishery and fish culture</p> <p>3-2 Promotion of capture fishery and fish culture for expansion of local consumption at low prices</p>
<b>II. Raising the Income of Farmers &amp; Fishermen and the Vitalization of Rural Economy</b>	<b>4. Promoting Community-based Economic Activities in Agriculture and Fisheries</b>	<p>4-1 Encouragement of local processing industries for agriculture and fishery products</p> <ul style="list-style-type: none"> <li>- Recommendation for institutional framework for creation of incentives for investments</li> <li>- Recommendation for information system</li> <li>- Encouragement and strengthening of farmers' and fishermen's organizations to promote the local processing industries for agricultural and fishery products</li> <li>- Improvement of necessary infrastructures such as small-scale facilities for the above-mentioned purpose</li> </ul> <p>4-2 Support for income generation by poor people: promotion of micro credit schemes and recommendation and support for promoting and strengthening mutual-help organizations for farmers and fishermen</p>
	<b>5. Improving and Strengthening Markets for Agriculture and Fishery Products</b>	<p>5-1 Recommendation on the improvement of market institutions</p> <p>5-2 Recommendation on the establishment of basic market information systems</p>

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**Sector Report (2)**  
**Action Plan**

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## **LIST OF ABBREVIATIONS**

AARD	Agency for Agricultural Research Development
ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
ATC	Agricultural Training Center
BAPPENAS	National Development Planning Agency
BULOG	National Logistic Board
DANIDA	Project on Super Intensive Sea-farming Germination Unit
DG	Directorate General
FAD	Fish Aggregation Device
FAO	Food and Agriculture Organization of United Nations
FY	Fiscal Year
GKIS	Indonesia Union of Dairy Cooperatives
GOI	Government of Indonesia
GOJ	Government of Japan
JBIC	Japan Bank for International Cooperation
JICA	Japan International Cooperation Agency
JOCV	Japan Overseas Cooperation Volunteers
KUD	Village Cooperative Units ( <i>Koperasi Unit Desa</i> )
MMAF	Ministry of Marine Affairs and Fisheries
MOA	Ministry of Agriculture
NFSC	National Food Security Council
NGO	Non Governmental Organization
NTB	( <i>West Nusa Tenggara</i> )
NTT	( <i>East Nusa Tenggara</i> )
ODA	Official Development Assistance
O&M	Operation and Maintenance
PBIS	Project Brief Information Sheet
PIAETS	Project for Improvement of Agricultural Extension and Training System
PROPEDA	Provincial Five Year Development Plan ( <i>Program Pembangunan Daerah</i> )
PROPENAS	National Development Plan ( <i>Program Pembangunan Nasional</i> )
PTTC	Project-type Technical Cooperation

RFI	Rural Financial Institutions
R/D	Record of Discussion
SEKNEG	State Secretariat of the Bureau of Technical Cooperation
SV	Senior Overseas Volunteer
S/W	Scope of Work
TCP	Technical Cooperation Project
TOT	Training of Trainers
USAID	United State Agency for International Development
WATSAL	Water Sector Adjustment Loan
WTO	World Trade Organization
WUA	Water Users Association
WUAF	WUA Federation
2KR	Grant Aid for Increased Food Production



# 1 Program for Improving the Institution and Production Support System

In order to realize the Stable Food Supply and Improvement of Nutrition, the issues encompass not only improvement of production techniques, but also the integrated function of various policies and institutions including macro finance and monetary systems, human resources development schemes, agricultural extension, and capacity building for farmers' organizations. Under such circumstances as economic globalization and decentralization, it is of critical importance to establish consistent policy and institutions in order to establish linkage at the farm level between macro policy and the agricultural development plans to be formulated and implemented by the local governments.

It is generally recognized that some progress has been made in the production technique for food crops in Indonesia. In order to utilize the effects of this progress, a high priority should be given to the improvement of agriculture policies and institutions.

The sectors having the greater needs for production support are horticulture and livestock rather than estate crops, in which the private sector is engaged. Taking into account the position of the protein as the second most important nutrients for improvement of human nutrition and the need to raise the income of small-scale farmers in order to alleviate poverty, development of the livestock sector is an urgent requirement.

Considering these reasons and the above situation, the following two components are proposed with respect to the cooperation program:

- 1) Support for policy and various institutional systems in line with the decentralization policy
- 2) Development of livestock industry utilizing local resources

Under this program, the action plan which was formulated last year, is revised as below

							(as of April 2004)													
Program	No.	Name of Project	Ministry in charge	Scheme	Input	Status	2003			2004			2005				2006			
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Improving Institution and Production Support System	1-01	Institutional Support for Food Policy	MOA	TCP	Expert (long & short) . Training, Equip.	approved, under preliminary study to determine TOR														
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MOA: Ministry of Agriculture, MENKOP: State Ministry of Cooperatives and Small and Medium Enterprises  
\*1: Activities of the Agriculture Policy Advisor include a part of TOR for the Institutional Support for Food Policy  
Name of 1-05 project is changed according to the preliminary study from the previous Project for Training of Agricultural Extension Officers to Farm Management Improvement under previous Action Plan.

Note: For this program, the needs for 1) the follow-up support for previous cooperation in the production area and 2) the support using the 2KR counterpart-fund may be examined in the process of monitoring the Action Plan, as required.

### **Candidate Project for Action Plan**

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:      Technical Cooperation Project                      Volunteer  
                            Technical Cooperation (Expert)                      Develop. Study  
                            Technical Cooperation Project (Training)      Grant Aid

Project Name:         Institutional Support for Food Policy

Implementation Agency: Ministry of Agriculture Agency for Food Security

Relevant Agency: National Logistic Agency (BULOG) and Regional Autonomies

Project Area: Whole areas of Indonesia

#### 1. Background

In the international environment, the globalization of economy under the WTO regime is surrounding the agriculture and fisheries sector in Indonesia; in the domestic sphere, the central government is shifting the authority for policy decisions to the local level, i.e., with the decentralization policy. These socioeconomic transformations require Indonesia to take a new and more complex approach to stable food security and improvement of people nutrition in an integrated manner at the national level.

The GOI has attempted to formulate and implement the national policy on food security through establishment of the NFSC as a ministerial coordinating board chaired by the President, where Agency for Food Security in Ministry of Agriculture acts as the Secretary of the NFSC. However, domestic food production is not still able to meet the demand for food due to insecurity of food production and the recent improvement of people's welfare and taste. For example, Indonesia imports about 3 million tons in 2002 according to FAO. To overcome this situation, in 2002 the President of GOI requested the FAO to assist the government in formulating the National Food Security Program (NFSP). In response to this request, the FAO is coordinating with other donors in this field.

The GOJ has provided a variety of assistance for production technology of food crops through a series of the Umbrella Cooperation since the 1970s, and some progress has been made. However, in order to supply stable food and improve nutrition to all the people in Indonesia, it is required not only to improve production technology but also to consider various policies and institutions comprehensively

(from macro economic policy to strengthening of farmers organization). And it is also necessary to establish linkage between the agricultural development plans at local government and policies at central governments under decentralization policy. Given this background, GOI, through Presidential Decree No. 177/2001 about organization structures and tasks, established an institution namely Agency for Food Security. That major task is to study, to develop and to coordinate all endeavors for establishing national food security.

Under above circumstances, GOI requested technical assistance whose implementation agency is Agency for Food Security to GOJ in order to implement policy for stable food supply effectively.

## 2. Outline of the Project

### (1) Overall Goal

Policies on food security are effectively implemented.

### (2) Project Purpose

Institutional capacity in establishing food security is strengthened.

### (3) Outputs

- Methods or manuals of evaluation and identification for food security issues are improved and newly established.
- Reports of case study and workshop for enhancing introduced methods are prepared.
- Officers' capacity is built.
- Recommendation on institutional restructuring for food security is made.

### (4) Activities

- To review and modify the existing analytical method or make new method for food security issues.
- To generate manual for implementing the method.
- To implement case study in project sites.
- To conduct workshop for introducing and disseminating the modified or new method.
- To conduct training for capacity building in Indonesia.
- To conduct training (TOT) on evaluation and identification for food security issues in Japan.
- To review organization in food security

(5) Inputs

(a) Japanese Side

- Long-term Experts (team leader/economist, project coordinator):  
2 persons
- Short-term Experts (subject wise):  
as required
- Studies and Surveys  
as required
- Training in Japan
- Provision of Equipment

(b) Indonesian Side

- Counterparts:  
Internal task forces to be organized within related center in agency for food security  
External task forces to be organized within relevant organizations which are the member of the NFSC.  
Administrative staff
- Counter budget
- Office space

3. Cooperation Period

Three years

4. Other Relevant Projects

(1) Japan

- Food Policy Advisor
- Food Crop Policy Advisor

(2) Other Donors

- IFAD: Participatory Integrated Development in Rainfed Areas (PIDRA)
- FAO: Special Program for Food Security
- FAO: National Program for Food Security
- USAID: Food Policy Support

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Government officials involved in policy making for food security at central and local government .

- Number of Beneficiaries: -

6. Relevant PBIS (FY2002)

Ministry of Agriculture

“Agricultural Policy Advisor” from Secretariat General, “Extension of JICA Expert for Agricultural Facility Development” from DG of Agricultural Facilities.

“Extension of JICA Expert for Food Crops Development in the Framework of Food Security” and “Strengthening of Food Crops Development Planning by Increasing Capacity Building of Agriculture Planning Offices” from DG of Food Crops Production Development.

“Rural Community Empowerment for Food Security”, “Community Empowerment for Food Security”, “Farmers Empowerment toward their Income Improvement”, “Food Distribution System Development” and “Food Price Information Networking Development” from the Agency of Community Empowerment of Food Security.

7. Other Important Information

The GOI has been taking an effort to formulate a long-term framework for National Food Security through the establishment of local food security councils under the National Security Council. For this purpose, the government requested FAO for technical assistance to formulate the National Program for Food Security, under which measures will be implemented in the priority 100 districts (Kabupaten) for enhancement of agricultural productivity, diversification of farm economy, marketing/ processing/ distribution of food, income generation at community and household levels and improvement of nutrition.

### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Strengthening of Market Oriented and Self-autonomy Agricultural Cooperatives

Implementation Agency: State Ministry of Cooperatives and Small & Medium Enterprises or Ministry of Agriculture

Project Area: Entire Indonesia

#### 1. Background

The government has been shifting its policy on food security from self-sufficiency in rice to stable food supply and improvement of nutrition. This policy would be achieved at the national to household level, focusing on increase in farm income, human health and consumers' preference as well as poverty alleviation in the rural area.

In order to pursue the stable food supply, an environment must be created that will enable farmers to increase their income and intensify farm production under their own farm management. To create such an environment, farmers need to manage collection, shipping and sales of products as well as purchase of inputs, but it is difficult for individual farmers to manage all these aspects. Therefore, formation and activation of farmers' organization are required for farmers to obtain more profit through increase of efficiency in production and promotion of agribusiness activities such as collective shipment, processing and storage, collective sales, and collective procurement. Further, activities of farmers' organizations are expected to increase farmers' income through communication with farmers who know the prospective commodities in each local area.

The existing farmers' organizations are the farmers' groups (Kelompok Tani) and cooperative societies. The cooperative societies are mainly the village cooperative units (KUD), which have been developed with the government support. Although some of KUDs have played important roles in the rural area, they do not always function satisfactorily due to heavy dependence on the government support. On the other hand, Presidential Decree No.18 in 1998 abolished the restriction on cooperative establishment other than KUDs in the rural area. Since then, "new agricultural cooperatives" are increasingly being organized, but many problems are emerging, as they come to a new stage of development.

Under these above circumstances, in order to increase farmers' income through expansion of

production and promotion of agribusiness, farmers' organizations need to be strengthened, based on the support of the rural community under democratic and self-reliant management through empowering farmers, using a bottom-up approach.

In this project, suggestions and recommendations for strengthening farmers' organizations will be made with regard to the policy frameworks and institutional systems, including promoting mergers and cooperation of business for merit of scale, guidelines for financial management and business activities, and training programs. These suggestions and recommendations will be obtained using analysis of the actual features of farmers' organizations as well as the results of reorganization and strengthening of the farmers' organizations in the model area.

## 2. Outline of the Project

### (1) Overall Goal

The policy framework and institutional system will be improved for strengthening of farmers' organization.

### (2) Project Purpose

To make recommendations for policy and institutional systems to strengthen farmers' organizations, and, if required, a model project would be implemented based on the improved policy and institutional system.

### (3) Outputs

- 1) Actual features and conditions of farmers' organizations will be clarified, and appropriate policy directions for strengthening farmers' organizations, based on the features, will be defined.
- 2) A policy framework will be formulated to strengthen farmers' organization, and this will be compiled as guidelines and manuals.

If the model project is implemented according to the above guidelines, the following outputs are envisaged.

- 3) Actual features and conditions of farmers' organizations will be clarified in the model area.
- 4) Based on the above policy framework, detailed direction will be defined for strengthening farmers' organizations in the model project area.
- 5) Based on the guidelines prepared above, human resources will be enhanced for management of farmers' organization and business activities.
- 6) Through implementation of the model project, self-reliant management of farmers' organizations will be attained and this will result in increase in farmers' income.
- 7) Experience obtained and lessons learned will be identified through evaluation of the model project.
- 8) The experience and lessons will be exchanged with others, and through feeding

them back, the policy framework and guidelines will be improved.

(4) Activities

- 1) -1 Actual features and conditions of farmers' organizations will be surveyed through analysis of the existing data and field surveys. Based on the analysis, problems and constraints for strengthening farmers' organizations will be identified in terms of local socio-economic condition and custom, production activities and management of organization as well as the need for organizations and the perceptions of farmers.
  - 2) Problems and constraints will be categorized based on the causes such as local custom, limited perception of farmers, etc. For each category, policy direction will be studied and defined as measures to solve the problems and constraints.
- 2) -1 Based on the policy direction defined above, the policy framework will be studied. The study results will be incorporated into the guidelines and manuals for strengthening farmers' organizations.

If the model project is implemented according to the above guidelines, the following outputs are envisaged.

- 3) -1 In the model project area, problems and constraints will be identified for strengthening farmers' organizations by analyzing the prevailing conditions and rural socio-economic situation influencing farmers and their organizations.
- 4) -1 Guidelines applicable in the model area will be selected and modified based on the above problems and constraints. According to the guidelines, particular business activities will be selected through a participatory approach, and the detailed direction will be defined to strengthen farmers' organizations.
- 5) -1 Democratic management will be introduced in farmers' organizations through empowering farmers in the development of business, using participatory approach. The results will be incorporated into the guidelines.
  - 2) Guidelines and manuals for training will be prepared for financial management and business activities, and training will be conducted.
  - 3) In order to supplement government support and monitor progress and results regarding the strengthening of farmers' organizations and the promotion of agribusiness, the training program for third parties will be prepared and conducted.
- 6) -1 In order to increase farmers incomes, efficient production activities and agribusiness will be encouraged with the support of the government and the third parties trained above.
- 7) -1 Before starting the model project, a baseline survey will be carried out in order to understand the current situation of farmers, and the benchmarks will be established to monitor progress. A benchmark survey will also be conducted periodically.
  - 2) Records of activities and management of farmers' organizations will be regularly



reviewed for evaluation.

8) -1 Experience and lessons will be presented to the public, and experience exchange with other donors will be done through workshops and seminars. The result will be incorporated in the guidelines for the strengthening of farmers' organizations.

(5) Inputs

Inputs are to be determined based on the results of a series of surveys, which are currently conducted.

3. Cooperation Period

Five years

4. Other Relevant Projects

(1) Japan

JICA : The Study on Integrated Development Project for Rural Cooperatives in the Republic of Indonesia

(2) Other Donor

-

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Staff of the central government, local government and farmers in the model area.

- Number of Beneficiaries: -

6. Relevant PBIS (Requested in 2002)

State Ministry of Cooperative and Small & Medium Enterprises

“Strengthening of Market-oriented and Self-Autonomy Agricultural Cooperative”,

“Development of Processing Technology of Dairy Farmers on Cooperative Bases”,

“Improvement of Community Based Fishery Industry on Cooperative Bases”.

7. Other Important Information

### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Project for Dissemination of Appropriate Dairy Technology Utilizing Local Resources

Implementation Agency: Ministry of Agriculture, Directorate General for Livestock Production Development  
 Livestock Office in West Java Province  
 Livestock Office in East Java Province  
 Livestock Office in Central Java Province  
 Livestock Office in West Sumatra  
 Livestock Office in South Sumatra Province

Project Area: West Java, East Java, Central Java, West Sumatra and South Sumatra Provinces

#### 1. Background

In Indonesia, dairy husbandry attracts a great deal of attention as an enterprise with the potential to increase farmer's income effectively. Local governments, which own suitable area for dairy husbandry, are promoting it as a series of measures for farmers' income generation and vitalization of rural economy.

The extent of import-dependence for feed materials is high for dairy husbandry in Indonesia. This is seen as a crucial subject to be improved and enhanced, from the viewpoints of safe and stable supply of dairy products and prevention of foreign currency outflow.

Under the situation mentioned above, the GOJ conducted "The Strengthening of Artificial Insemination Center Project" and "The Dairy Technology Improvement Project". In these Projects, training programs for extension officers, key farmers, etc. were implemented.

Nevertheless the dairy technology introduced by GOJ has not yet been disseminated to dairy farmers in other areas such as Central Java, West Java and outside Java as well (such as South Sumatra, West Sumatra, etc.). It is one of the Government of Indonesia (GOI) policy, that in order to increase the domestic milk production and also to overcome the limited land for growing animal farming should also be developed in outside Java island (Sumatra) that has the agro climate potency for development of dairy production center.

It is known that the most populated dairy cattle in Indonesia is in East Java (131,838 heads) and Central Java (115,490 heads), whereas other dairy development areas are West Sumatra (479 heads) and South Sumatra (365 heads). The new dairy production center (West Sumatra and South Sumatra) have more than enough local sources for dairy husbandry, but this has not optimally been used by farmers because of farmers' limited knowledge on dairy technology.

With regard to training systems for general farmers, the training activities have just started in collaboration with the Indonesia Union of Dairy Cooperatives (GKSI). Currently the most crucial point from the viewpoint of promotion of livestock industry applying local resources is how to disseminate effectively and smoothly to farmers themselves a series of technologies that have already been transferred, such as forage and feeding management.

## 2. Outline of the Project

### (1) Overall Goal

Dairy husbandry is strengthened through the improvement of feed supply and feeding management based on utilization of local resources in the target area.

### (2) Project Purpose

A series of dairy husbandry technologies, such as feed supply and feeding management based on utilization of local resources, can be disseminated to dairy farmers in the target areas, in accordance with self-management system of training programs to make possible to make sustainable operation.

### (3) Outputs

- 1) Training programs for dissemination of dairy husbandry technologies based on utilization of local resources are updated and revised in Cikole Dairy Training Center (UPTD Balai Pelatihan Peternakan Cikole).
- 2) Participants who undertake training programs in Cikole DTC acquire a series of dairy husbandry technologies such as feed supply and feeding management.
- 3) The training programs area applied to selected dairy cooperatives in the target areas.

### (4) Activities

- 1) Improvement of training programs for dissemination of dairy husbandry technologies such as feed supply and feeding management based on utilization of local resources.
  - a) Improvement of training programs for applying the new components depending on the current situation.
  - b) Revising on the training manuals designed for the former project.
  - c) Preparation of curriculums for TOT (training of trainers).
  - d) Making of training materials.

- 2) Implementation of the training programs mentioned above for extension officers and key farmers/instructors of dairy cooperatives in Cikole DTC.
    - a) Implementation of TOT for extension officers and key farmers/instructors of dairy cooperatives from the target area.
    - b) Conducting of a follow-up survey with participants who attended training courses.
    - c) Evaluation of training results based on the results of the follow-up survey.
    - d) Feedback of the evaluation results to the training programs, manual, curriculums, materials etc.
  - 3) Demonstration of training programs in selected dairy cooperatives of the target areas.
    - a) Conducting of training activities by extension officers and key farmers/instructors of dairy cooperatives.
    - b) Monitoring and evaluation of training activities.
    - c) Providing of suggestion on self-management of training programs.
- (5) Input
- (a) Japanese Side
    - Local Coordinator
    - Short-term experts (Feed crops, feeding management, etc. as required)
    - Group training for counterpart in Japan
    - Provision of equipment
    - Sharing budget for training implementation , such as expenses of revision training manuals and making training materials.
  - (b) Indonesian Side
    - Budget for training implementation
    - Cost for counterpart personnel required for survey and monitoring
    - Training facilities and dormitory.
3. Cooperation Period  
3 years (expectedly start in 2004 JFY)
4. Other Relevant Reports
- (1) Japan  
JICA : Dairy Technology Improvement Project (1997~2002)

(2) Other Donors

-

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Extension officer and key farmers/instructors of dairy cooperatives in the target areas.
- Number of Beneficiaries: -

6. Relevant PBIS (Requested in FY2002)

Ministry of Agriculture

“Development of Livestock Industry Utilizing Local Resources”

7. Other Important Information

### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Beef Cattle Development Project based on utilizing local resources in the Eastern Part of Indonesia

Implementation Agency: Ministry of Agriculture Directorate General for Livestock Production Development, Livestock office in West Nusa Tenggara

Project Area: NTB, NTT, Bali, South Sulawesi provinces

#### 1. Background

In Indonesia, demand of meat is being increased year by year depending on increment of income, population growth and diversification of diet. Ministry of Agriculture is tackling meat production development in order to achieve complete self sufficiency of meat (especially beef) up to 2005, because growth of demand (consumption) exceeds that of production and import of meat is increasing recently.

Eastern part of Indonesia, which has severe natural condition and lot of people with poverty, has been appointed as important selective area for regional development. This area is suitable for meat production (especially stud bull) by utilizing local resources, especially Bali beef, which is grown mainly in this area, has good quality of its meat and high breeding efficiency. Therefore strengthening of meat production in this area is intended.

With this background, this project is proposed in order to make this cooperation contribute to increase of meat supply in Indonesia and increase of farm income through meat production in those areas.

#### 2. Outline of the Project

##### (1) Overall Goal

Meat production in Eastern part of Indonesia will increase and income of meat producers will increase.

##### (2) Project Purpose

Meat production in Eastern part of Indonesia by utilizing local resources will be strengthening systematically.

(3) Outputs

- 1) Beef Cattle Breeding Center will be established in NTB.
- 2) Techniques of small scale meat farmers in the project target provinces (NTB, NTT, Bali, South Sulawesi provinces) will be improved.
- 3) Support for expansion of meat production by small scale farmers in the project target provinces is strengthening.

(4) Activities

- 1) Strengthen function and system of reproduction farm and forage production farm in NTB
- 2) Develop techniques of meat production (forage production, feeding management, livestock breeding) for small scale meat farmers by utilizing local resources
- 3) Implement support activities (training/instruction tour, lending cows for breeding, introduction of micro credit) to promote expansion of meat production for small scale meat farmers in the project target provinces.

(5) Inputs

(a) Japanese Side

- Long-term Experts (chief advisor, coordinator, meat production techniques, livestock extension): 4 persons
- Short-term experts: around 4 persons per year (livestock improvement, forage production, feeding management, livestock breeding, livestock sanitary etc.)
- Provision of equipment (equipment for breeding, material and equipment for training)
- Local cost: micro credit for introduction of cows for breeding for farmers, etc

(b) Indonesian Side

- Project Manager
- Counterparts
- Local Costs

3. Cooperation Period

5 years

4. Other Relevant Projects

(1) Japan

JICA : Dairy Technology Improvement Project in Indonesia (1997~2002)

JICA : The Strengthening of Artificial Insemination Center Project (1986~1995, after care 2000~2002)

(2) Other Donors

-

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Meat farmers in Eastern part of Indonesia including NTB
- Number of Beneficiaries: 340 thousand farm households

6. Relevant PBIS (Requested in FY2003)

Ministry of Agriculture

Directorate General for Livestock Production Development

“Development of Beef Cattle Farming in Eastern Indonesia”

7. Other Important Information

Meat processing facilities are under maintaining by yen loan at Mataram in NTB. Ministry of Agriculture is now preparing request of maintenance Beef Cattle Breeding Center for grant aid.



### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Strengthening Network System for High Quality Seed Potato Multiplication and Distribution

Implementation Agency: Ministry of Agriculture

Project Area: Aceh province, North Sumatra province, West Sumatra province, Jambi province, Central Java province, East Java Province, North Sulawesi province, South Sulawesi province

#### 1. Background

A potato is one of the most profitable crops planted in tropical highlands of Indonesia. And the cropped area has reached almost 70,000 ha with the backdrop of diversification of domestic consumption.

However, as it is difficult for farmers to acquire domestic seed potatoes that are high-quality at low costs, they are used to plan the part of their products as seed for the next production. With the accumulation of virus, however, the productivity is 15 ton / ha which is just a half or one thirds of other countries' performances.

Under this circumstance, GOJ implemented the technical cooperation project of "Seed Potato Multiplication and Training Project(1992~97)" and "Development of High Quality Seed Potato Multiplication System Project (1998~2003)", focusing on the West Java province. These projects strengthened seed multiplication and test techniques, improved farmers' production techniques, disseminated high-quality seed potatoes and conduct model development in the West Java province with provision of trainings for other provinces to replicate model effects. GOI requested this cooperation in order to strengthen supply system of high quality seed potato at low price and to increase production of high quality seed potato and benefit and income of farmers, through expanding those cooperation results to domestic main production area for potato, 8 provinces<sup>1</sup>.

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<sup>1</sup> Ache, North Sumatra, West Sumatra, Jambi, Central Java, East Java, North Slawesi, South Slawesi

## 2. Outline of the Project

### (1) Overall Goal

Nationwide multiplication system for high-quality seed potatoes will be developed and the production of high-quality potatoes will increase.

### (2) Project Purpose

In the main production area for potato (8 provinces), the production and test techniques of high-quality seed potatoes will be strengthened.

### (3) Outputs

In the 8 provinces which are main production areas for potato, the multiplication for high-quality seed potatoes and test techniques for seed will be strengthened.

### (4) Activities

Improvement of facilities and replacement of equipment of BBI<sup>2</sup>, BBU<sup>3</sup>, BPSB<sup>4</sup> in 8 provinces of main potato production area

### (5) Inputs

#### (a) Japanese Side

- Grand Aid

#### (b) Indonesian Side

- Lands
- Facilities
- Local Costs

## 3. Cooperation Period

FY 2005

## 4. Other Relevant Projects

### (1) Japan

Grant aid : Project for Multiplication and Distribution of High Quality Seed Potato E/N 1990

Yen Loan : Sector Program Loan (I) E/N 1998

JICA : Seed Potato Multiplication and Training Program (1992~1997)

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<sup>2</sup> BBI; Foundation Stock Seed Farms

<sup>3</sup> BBU; Stock Farms

<sup>4</sup> BPSB; Seed Testing Laboratories

JICA: Development of High Quality Seed Potato Multiplication System Project (1998  
~2003)

(2) Other Donors

-

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Potato Farmers in 8 provinces which are the main production areas for potato
- Number of Beneficiaries: -

6. Relevant PBIS (Requested in FY2003)

Ministry of Agriculture

Directorate General of Horticultural Production Development

“Development of High Quality Seed Potato Project Multiplication System Project (Follow up)”

7. Other Important Information

-

### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Improving the Institution and Production Support System

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Increasing of High Quality Soybean Seed Production through Strengthening of Food Crops Seed Institution and Seed Growers Empowerment

Implementation Agency: Ministry of Agriculture

Project Area: South Sulawesi, NTB, West Java, Yogyakarta, Lampung and Bali provinces

#### 1. Background

A soybean is a traditionally important food for Indonesian people as the major source of vegetable protein for human nutrition. In recent years, while the demand for soy beans is increasing with the diversification and development of food culture of the people, the domestic production of soy beans is abruptly decreasing. This is mainly due to 1) the increase in the import from abroad under the liberalization trade policy which the Government of Indonesia has been launching after the Asian economic crisis, 2) low yield of production due to the restriction on the supply of seed which government tested (the amount of supply does not reach 1% of the demand amount), and 3) the change in the preference of Tempe producers who are major consumers of soy beans (they tend to prefer to the imported one which is relatively large and unified in terms of size rather than the domestic one that is of a small size).

With this background, the GOI regards soy beans as significant goods for trade strategies and has set up the target of increasing the domestic production. By utilizing soybean-seed facilities that have been transferred to the regional autonomies under the decentralization policy, it is now disseminating the technology for increasing supply of high-quality seeds to some particular provinces and districts that are good at producing domestic soybeans.

With respect to the soybean-related facilities, however, there are problems of decayed equipment. And there is also the question on how to provide extension systems for high quality soybean seed stable multiplication technology after the decentralization. To response these issues, the Ministry of Agriculture has established the Seedling Management technology Center in 2002 and is disseminating the multiplication technologies of high-quality seeds and the seed-quality improvement technology. MOA has also specified

the need for seed development as one pillar of the Ten-Economic Recovery Acceleration Program.

Japan implemented the technical cooperation project of the “Quality Soybean Seed Multiplication and Training Project” (1996~2003) including follow up” in East Java province thereby establishing models for high quality seed stable multiplication technology, system for multiplication, distribution and seed tests, and making relevant organizations go well for implementation. Especially good performances were seen in the areas of the breeding of high-quality seeds, seed-testing techniques, capacity building of provincial government staffs and seed farmers, and enlightenment activities in model farms. In addition, two varieties developed by this cooperation (Anjasmoro and Mahamel) are rich in protein and relatively large, meeting the requirement from Tempe producers: they are given higher market prices than traditional small-size soybeans.

This project is proposed in order to make these cooperation effects spread over major soybean-producing regions in the county, reinforce the supply and production of high-quality seeds, and increase the unit yield and production of soybeans through the cooperation for improving technology of provincial agricultural department, seed-related faculties and seed farms.

## 2. Outline of the Project

### (1) Overall Goal

Domestic production will increase through dissemination of high-quality seeds.

### (2) Project Purpose

Multiplication techniques and seed distribution systems adopted for local area will be strengthened in major soybean-producing provinces.

### (3) Outputs

In main soybean-producing 6 provinces (South Sulawesi, NTB, West Java, Yogyakarta, Lampung and Bali provinces), facilities and equipments required by well planned production and distribution system are provided.

### (4) Activities

- 1) Improvement of facilities in soybean seed related facilities and provision of equipment (small tractor, power cultivators, weeder, power sprayer, dryer, rapping machine, farm related equipments, seed test related equipments, etc) in main soybean-producing 6 provinces.
- 2) Complementary provision of equipment in MOA related facilities (Seed Quality Development Center) which are the core in spreading over high quality seed and in related facilities in East Java province.

- (5) Inputs
  - (a) Japanese Side
    - Grant aid
  - (b) Indonesian Side
    - Local Costs
3. Cooperation Period

FY 2005
4. Other Relevant Projects
  - (1) Japan

Grant aid : Project for Multiplication and Distribution of High Quality Soybean Seed E/N 1995

JICA : Quality Soybean Seed Multiplication and Training Project (1996~2001)

JICA : Quality Soybean Seed Multiplication and Training Project Follow up (2001~2003)
  - (2) Other Donors
    -
5. Type and Number of Beneficiaries
  - Direct Beneficiaries: seed farmers and soybean producers in main soybean-producing provinces
  - Number of Beneficiaries: -
6. Relevant PBIS (Requested in FY2003)

Ministry of Agriculture

Directorate General of Food Crops Production Development

“Soybean Seed Multiplication and Distribution System for Increasing Production of Good Quality Domestic Soybean in Indonesia”
7. Other Important Information
  -



### 3 Program for the Sustainable Utilization of Fishery Resources

Fishery products play an important role in the nutritional improvement of the people and stable supply of food. Per capita consumption of fishery products in 1999 was about 18kg, which accounts for 60% of the animal protein intake. Fishery resources are the natural resources distributed in the third largest marine area in the world and the vast inland water area, and the products are mainly for domestic consumption in Indonesia. Furthermore, in such remote areas as the eastern part and the small islands area of Indonesia, where no other specific useful natural resources are available, fishery plays an important role in creating job opportunities as well as generating cash income for fishermen and related people.

The development subjects of this cooperation program are broadly categorized into two major aspects, namely, resources management for sustainable fisheries promotion, and the supply of fishery products to the people. Each aspect of management and supply involves both capture fishery and aquaculture.

Taking the above-mentioned circumstances into account, the projects will be implemented based upon the following components.




Considering the reasons and the situation described above, the following two components are proposed for the cooperation program:


- 1) Cooperation in establishing the resource management system for sustainable development of coastal and inland open water capture fishery and fish culture, and
- 2) Promotion of coastal and inland capture fishery and fish culture for expansion of local consumption of fishery products.

Under this program, the action plan which was formulated last year was revised as follows.

(as of April 2004)

Program	No.	Name of Project	Ministry in charge	Scheme	Input	Status	2003		2004		2005		2006
							Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sustainable Utilization of Fisheries Resources	3-01	Project for the development and dissemination of the fisheries resource management	MMAF	TCP	Expert (long & short), Training, SV, Equip.	to be examined							
	3-02	Fisheries Planning	MMAF	Indiv. Expert	Expert (long term)	on going, extension approved							
	3-03	Technical Extension of Mariculture	MMAF	Indiv. Expert	Expert (long term)	completed							
	3-04	Project for Dissemination of Sustainable Mariculture Technology	MMAF	TCP	Expert (short term), SV	approved, under preliminary study to determine TOR							
	3-05	Project for the Promotion of the Sustainable Coastal Fisheries	MMAF	TCP Grant Aid	Expert, Training, Equip. Grant Aid	TCP approved, preliminary evaluation for TOR to be planned GA not approved							
	3-06	Freshwater Aquaculture Development Project	MMAF	TCP	Expert (long & short) Training, Equip.	on going							
	3-07	Rehabilitation and Improvement Project of Jakarta Fishing Port	MMAF	Loan	Yen Credit	L/A newly signed							

 : On-going or Completed Projects   
  : Projects adopted but not yet implemented   
  : Projects newly planned

MMAF: Ministry of Marine Affairs and Fisheries     : Project Digest  
 Note: TCP: Technical Cooperation Project    L/A: Loan Agreement  
 SV: Senior Overseas Volunteer

Name of 3-01 project is changed according to official proposal from the previous Project on Coastal Fisheries Resource Management under previous Action Plan.  
 3-05 Project is Coastal Community Development Project merged with Women Participatory Income Generation Project for Coastal Community both under previous Action Plan, accordingly name is also changed.



### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Sustainable Utilization of Fisheries Resources

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Project for the development and Dissemination of the Fisheries Resource Management

Implementation Agency: Ministry of Marine Affairs and Fisheries

Project Area: Whole of Indonesia, Semarang

#### 1. Background

Marine capture fishery produces around 3/4 of the total fishery production. And the available amount of marine fishery resource is estimated at 5 million tonnages. These figures reveal that marine fishery resource remains, now and over the future too, as a major source of animal protein for the people. In order to utilize this reproducible resource in a sustainable way, it is indispensable to conduct various studies (such as the field survey and data analysis) to understand the amount of the resource, and control the resource utilization with regulations on catch (such as establishment of restricted area and periods) in a unified way over the country. In order to take these actions, then, it is prerequisite to establish an appropriate resource control system according to kinds of target fish through the cooperation of fishermen, regional autonomies and the central government.

In Indonesia, there are established frameworks for controlling major kinds of deep-sea fish such as tunas but not enough, and there is no effective one for controlling other kinds of fish. This is because of the lack of 1) consistent policy for resource control; 2) effective system to collect data on catch for example; 3) data management system; 4) systems to make the central government and regional autonomies apply appropriate fishery control according to their available resources; 5) regulations for enforcement of the above control measures; 6) human resources; and 7) fishermen's understanding and cooperation. It is thus of critical importance to tackle these issues.

In order to do so, it is necessary to 1) provide consistent guidance for resource control; 2) establish systems for effective collection of data on catch and available resources and for information management, institutions to lead the central government and regional autonomies to apply appropriate fishery control and regulations on catch; 3) develop human resources and 4) provide support for extension services among fishermen.

## 2. Outline of the Project

### (1) Overall Goal

A fisheries resource management will be implemented in a nationwide-unified way.

### (2) Project Purpose

To establish the system for fisheries resource management through the cooperation between the central government and regional autonomies

### (3) Outputs

- 1) A nationwide consistent direction for resources management will be provided.
- 2) Systems for effective collections of data on catch and fisheries resources will be employed.
- 3) Systems for data collection and data provision will be established in the Research Center for Capture Fisheries.
- 4) Systems for enabling the application of appropriate fishery control will be established.
- 5) Appropriate regulations on fishery control will be introduced.
- 6) Systems for developing human resources will be established.

### (4) Activities

- 1) Support the formulation of resources management directions
  - The directions include the basic concept of management, the roles of governmental organizations (at the central provincial and district levels) and fishermen's organizations according to kinds of target fish, the establishment of resource control areas, the management of control areas, systems for collecting and analyzing data, regulations etc.
- 2) Support the establishment of systems for effective collection of data on catch and fisheries resources
  - Support establishment of systems for data on catch: resource management for communities and landing places and the collaboration between data collectors and fishermen's organizations.
  - Support strengthening the system for data collection on fisheries resource in the Research Center for Capture Fisheries.
- 3) Support the establishment of systems for effective collection of data on catch and fisheries resources in the Research Center for Capture Fisheries.
- 4) Support the establishment of systems for enabling the application of fishery control
  - Support the formulation of resource management organizations composed of governments such as those in restriction areas, fishermen's organizations and

scientists.

- Support the preparation of manuals to introduce the fishery control

5) Support the establishment of regulations of fishery controls

- Support the introduction of regulations which include those for enforcement and punishment

6) Support the human resource development

- Support the establishment of the Center of Education and Extension for Resource Management that conducts training programs and knowledge dissemination activities.

(5) Inputs

(a) Japanese Side

- Long-term Expert (fishery resources management policy): 1 persons
- Short-term Expert: about 4 persons per annum (fisheries control institution, training of data collectors, resources management curriculum development, fishery control, fishermen's organizations, etc.)
- Senior Volunteer: total 2 persons (catch-data collection, fishery education, education material development)
- Acceptance of Trainees: about 4 persons per annum (resource management, fisheries control, data collection and analysis)
- Local applicability project (model areas, collection of data on catch for model-target fish, application of regulation of fishery control, and pilot projects for knowledge extension activities)
- Provision of Equipment

(b) Indonesian Side

- Project Manager
- Counterparts (resource management, fishery education, and fishery biology)
- Local Costs

3. Cooperation Period

Three (3) years

4. Other Relevant Projects

(1) Japan

JICA: Sumalan Fisheries Training Development Center (Grant Aid) E/N 2000

(2) Other Donors

-

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Administrators and Technical Staff of Central and Regional Government and School Teachers of Fishery Educational Institute (about 2,000 persons)
- Number of Beneficiaries: coastal fishermen (about 2 million people)

6. Relevant PBIS (Requested in FY2002)

Ministry of Marine Affairs and Fisheries

“Responsible Coastal Fisheries Resources Management Plan”

“Training for Administrators, Observers and Staff to Strengthen the Capability and Capacity to Conduct Monitoring, Controlling and Surveillance System”

“Provision of Patrol Vessels”

7. Other Important Information

The effective cooperation with the grant aid of Sumalan Fisheries Training Development Center that was implemented in FY 2000, together with Ministry of Marine Affairs and Fisheries, the Research Center for Capture Fisheries, regional government etc. will be expected.

### Candidate Project for Action Plan

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Sustainable Utilization of Fisheries Resources

Type of Scheme:      Technical Cooperation Project                              Volunteer  
                                Technical Cooperation (Expert)                              Develop. Study  
                                Technical Cooperation Project (Training)      Grant Aid

Project Name:         Project for Dissemination of Sustainable Mariculture Technology

Implementation Agency: Ministry of Marine Affairs and Fisheries

Project Area:         Whole of Indonesia

#### 1. Background

The Ministry of Marine Affairs and Fisheries tackles the increase in aquaculture production as one of the important national policies. Regional autonomies must develop their own financial resources for stable food supply, improvement of nutrition and peoples' income generation under the decentralization progress that began in 1999. In particular, coastal provinces and districts expect the development potential of marine and fishery resources. Mariculture development is a high priority issue, and JICA has supported seed production technology of marine finfish through the National Mariculture Research Center at Gondol. However, throughout Indonesia, 1) there is lack of a policy direction for technological development, as local technology has not sufficiently been established; 2) the experience of mariculture is not adequate; and 3) sustainable technology transfer with appropriate care of the marine environment is just beginning. In order to improve existing conditions, it is important to transfer technologies from Gondol to the other National Aquaculture Development Centers and disseminate them to fish farmers etc., through a fishery extension organization that is planned to operate in the provinces and districts in the near future.

In mariculture, it is important to implement the assistance in concert with support for establishing policy and institutions to ensure sustainability, particularly with regard to issues such as licensing, measures necessary for environmental protection and cooperating with the regions.

It is then considered effective to implement the above assistance by exchanging technology and information with neighboring countries such as the Philippines, Malaysia and Thailand. It is desirable to conduct the Third Country Training Program not only training for Indonesian technical staffs but also for technical staffs of neighboring countries.

## 2. Outline of the Project

### (1) Overall Goal

The sustainable mariculture technology is disseminated to fish farmers in Indonesia and the neighboring countries.

### (2) Project Purpose

To transfer sustainable mariculture technology to core technical staff of national aquaculture development centers and neighboring countries.

### (3) Outputs

- A technological manual on sustainable mariculture is prepared.
- Seed production and sustainable mariculture technology are transferred to the staffs of national aquaculture development centers.

### (4) Activities

- Clarify technological issues for sustainable mariculture.
- Transfer technologies from Gondol center to other national aquaculture development centers.
- Implement practical training at some national aquaculture development centers.
- Disseminate technology to fishermen and fish farmers at national aquaculture development centers by cooperation with provinces and districts
- Establish a system for training implementation at Gondol center.

### (5) Inputs

#### (a) Japanese Side

- Short-term Expert: Mariculture Technology Extension 1 person per annum
- Senior Volunteers: 3persons Seed Production, Aquaculture Technology, and Pathology

#### (b) Indonesian Side

- Counterparts: aquaculture extension planning, pathology, seed production, feed development, blood stock rearing, training management, etc.
- Training Facilities and Dormitory
- Local Cost

## 3. Cooperation Period

Three (3) years

4. Other Relevant Projects

(1) Japan

JICA: Project on Multi-species Seed Production Technology Development

(2) Other Donors

DANIDA: Project on Super Intensive Sea-farming Germination Unit (Loan)

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Technical Staff of National Aquaculture Development Centers, Regional Autonomies, etc.

- Number of Beneficiaries: Approx. 13 million coastal villagers

6. Relevant PBIS (Requested in FY 2002)

Ministry of Marine Affairs and Fisheries

“Study on Feed Formulation and Feeding Strategy for Groupers”

“Marine Finfish Hatchery Management”

“Responsible Aquaculture Management Project”

“Development Center for Mariculture in Western Indonesia”

“Sustainable Mariculture Based Coastal Village Development Project”

“Sustainable Mariculture Technology and Fish Disease”

“Development of Rapid Diagnostic Tools of Disease in Freshwater and Mariculture”

“Aquaculture Program for Development of Stock Enhancement and Sea Ranching in Indonesia”

7. Other Important Information

In parallel with this project, the third country training is assumed to be carried out in the surrounding counties.

The project will maintain linkages to reflect the results of the policy support by the JICA expert (fisheries planning) in Ministry of Marine Affairs and Fisheries, regarding sustainable utilization of the fisheries resources.

### **Candidate Project for Action Plan**

Development Issue: Stable Food Supply and Improvement of Nutrition

Program: Sustainable Utilization of Fisheries Resources

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Project for the Promotion of the Sustainable Coastal Fisheries

Implementation Agency: Ministry of Marine Affairs and Fisheries

Project Area: West Nusa Tenggara (NTB) and East Nusa Tenggara (NTT) Provinces

#### 1. Background

In Indonesia, the role of fishery is increasingly important, since it can supply the people with good-quality protein in a stable way. With this background, both NTB and NTT are expected to play a leading role, as they are abundant with rich fishery resources.

NTB and NTT provinces have received the highest priority for development due to the low level of income per capita. Meeting the expectation for fishery development is to contribute not only to the stable supply of fisheries products but also to the development of fishery and fishery villages. Doing so is also expected to present a model development for other regions in Indonesia.

In both provinces, however, while traditional fisheries which utilizes local characteristics is being maintained, there is no well-established system for processing and marketing that can meet needs for fishery control, stable fishery management and communities concerned. And with the lack of infrastructure to provide goods, fishery human resources including the female one are still in aggravated condition. These are substantial obstacles to the stable supply of fishery products with good quality, resulting in the standstill of regional development by fishery.

For these urgent issues, it is indispensable to develop the organizations of fishery people. Based on the appropriate fishery organizations (including female groups), the focuses should be on the further enhancement of coastal resources and the establishments of processing and marketing systems, appropriate fishery control which will reflect local technology and be based on the ecosystem there, fishery management, and maintenance of necessary infrastructure, though further utilization of local traditional fisheries and fisheries resources. Through these actions, it is necessary to establish the stable supply system for high qualified coastal fishery resources and to promote development of fishery communities.



## 2. Outline of the Project

### (1) Overall Goal

Sustainable fishery and stable supply system of fishery products are promoted in NTB and NTT. The economy of coastal communities in NTB and NTT provinces is vitalized.

### (2) Project Purpose

To establish i) the fishery control and management system targeting coastal fish resources in the regions and ii) fishery-product supply system targeting domestic markets through vitalization of fishermen's organizations including female groups, thereby promoting development of fishery villages in NTB and NTT province

### (3) Outputs

- 1) Through the value-adding of present fisheries resources and popularization of new fisheries resources, people become familiar with eating fish as good animal protein source.
- 2) Through the formulation of fishermen's organizations (including the female one), systems for fishery control, fishery management and simple processing of fishery products are established.
- 3) Supports by regional public officers for fishery management and fishery-village development are strengthened.
- 4) Infrastructures for fishery (e.g. landing places and simple processing and marketing facilities, etc.) are developed.
- 5) Manuals for the above outputs are prepared in order to replicate the same effects over the whole area of the country.

### (4) Activities

- 1) Develop the appropriate and, if necessary, new techniques for processing and marketing in accordance with the local level of technology, and promote the use of such techniques in the operation for present fisheries resources.
- 2) Support the development of coastal fishery resources that have not been used so far, develop the appropriate and, if necessary, new techniques for processing and marketing in accordance with the local level of technology, and promote the use of such techniques in the operation, with due consideration of local traditional fisheries and processing technology.
- 3) Support fishermen's organization and regional public organization in establishing fishery control system for above mentioned fisheries resources
- 4) Support the formulation of fishermen's organizations and their establishing fishery management system and processing and marketing system for fishery products.
- 5) Provide the guidance of selecting, managing and operating the facilities for

processing, marketing and landing.

(5) Inputs

(a) Japanese Side

- Long-term Expert (fisheries development): 1 person
- Short-term Experts (fishermen's organization, coastal resource survey, coastal fishing technology, fishing gear and method, etc.): some experts
- Acceptance of Trainees (fishing gear and method, resource management, community development etc.) : about 3 persons per year
- Provision of Equipment (materials and equipment of fishing gear, model boat for training and survey, etc.)
- Local Adaptability Project (organizing fishermen's group, activities for development of fisheries management and simple processing and marketing system)

(b) Indonesian Side

- Project Manager: 1 person
- Counterparts: (resource management, fishing gear and method, fishery extension, community development, catch handling, fishermen's organization, O&M of out-board engine etc.)
- Local Cost

3. Cooperation Period

Three years

4. Other Relevant Projects

(1) Japan

JICA: The Study on Fisheries Infrastructure Support and Coastal Communities Development Plan in Eastern Indonesia (2001~2002)

(2) Other Donors

ADB: Coastal Resources Management Project

5. Type and Number of Beneficiaries

- Direct Beneficiaries: Residents of coastal communities in NTB and NTT provinces
- Number of Beneficiaries: approx. 13 million people

6. Relevant PBIS (Requested in FY 2002)

Ministry of Marine Affairs and Fisheries

“Fishing Community Development regarding the Development Study in Eastern Indonesia”

“Counterpart Training on Fishing Communities Development Regarding the Development Study in Eastern Indonesia”

“The Training Course in Fish Processing Techniques for Small Fisheries in Eastern Indonesia”

7. Other Important Information

This project is formulated based on the recommendations from the JICA Development Study “ The Study on Fisheries Infrastructure Support and Coastal Communities Development Plan in Eastern Indonesia”.



### Candidate Project for Action Plan

Development Issue: Raising the Income of Farmers and Fishermen and the Vitalization of Rural Economy

Program: Promoting Community-based Economic Activities in Agriculture and Fisheries

Type of Scheme:  Technical Cooperation Project  Volunteer  
 Technical Cooperation (Expert)  Develop. Study  
 Technical Cooperation Project (Training)  Grant Aid

Project Name: Study for Promoting Community-based Economic Activities in Agriculture

Implementation Agency: Executing Agency: Ministry of Agriculture(Bureau of Planning and Finance)

Coordination Agency:  
 - Other Relevant Agencies in Ministry of Agriculture  
 DG of Agricultural Facilities, DG of Food Crop Production, DG of Horticultural Production, DG of Livestock Production, DG of Agricultural Products Processing and Marketing, Agency of Human Resources and Development, the Center for Economic Research and Study for the AARD  
 - Other Relevant Agencies outside Ministry of Agriculture  
 Provincial Government

Project Area: Central Java Province  
 Lampung Province  
 South Sulawesi Province  
 East Nusa Tenggara Province

#### 1. Background

GOI has been implementing policies targeted on farming technology so far. In order to generate farmer's income based on increasing of agricultural production and vitalize rural economy, it is necessary for farmers to get value added to agricultural products. From this point of view, establishment of effective financial system which supports economic activities by small farmers and support system for self-sustainable activities through agribusiness development aiming at local agricultural processing by small farmers is important in order to contribute to eradicate poverty in rural area.

Most farmers are small and lack for method and fund required from production stage to selling stage, and some of them get the assistance such as method for production, food, and cash from middlemen. In order to improve this situation of small farmer it is effective to utilize micro credit scheme, but there are question about fund management system and capability of financing receiver.

Regarding development of agribusiness aiming at local agricultural processing by small farmers, it is required to equip financing system for investment and operation fund, to provide information about processing technology, marketing, and related systems, and to examine strengthening of farmers organization.

## 2. Outline of the Project

This Project is a development study, aiming to vitalize rural economy. In this project, from the view point of leaving the value added to agricultural products for farmers as much as possible, it is suggested to establish financial system supporting economic activities by small farmers and to making policy for development of processing by farmers themselves or farmers organization for agricultural products. This result will contribute to planning and examination of future national development policy.

### (1) Overall Goal

Community based economic activities in agriculture is promoted.

### (2) Project Purpose

Recommendation for the formulation and implementation of the national measures and policies concerning establishment of micro finance scheme to fulfill financial need of rural residents as well as encouragement of the processing of agricultural products in rural area are given in order to improve economic welfare of rural residents.

### (3) Outputs

1) Recommendations on the policy framework for introduction of micro finance scheme to fulfill farmer's financial needs utilizing farmer's self-help institution as the core, along with recommendations for temporally measures, supplemental measures and bridging finance for timely sales.

2) Recommendations on policy framework for promotion of farmers various effort of agro-processing, including presentation of Design model of farmers agro-processing, incentives for farmers effort such as credit scheme, improvement of information system

### (4) Activities

A) Related with finance to fulfill farmers' financial need

-1 Examination of combination of farmers' self-help institution, local service point, and national financial institution

-2 Examination of temporary measure, which does not interfere in farmers' effort to organize self-help institution

-3 Examination of supplemental measure to address residual difficulty in accessing regular financial service after formation of self-help institution

-4 Examination of bridging finance for timely sales by farmers

B) Related with processing issue

- 1 Examination of promotion measures for partnership between processors (final processor) and farmers group (local primary processor)
- 2 Examination of promotion measures for agro-processing by farmers in order to improve their bargaining power to existing processors.
- 3 Examination of promotion measures agro-processing by farmers' housewives to replace home cooking.
- 4 Examination of other approaches for agro-processing by farmers' and promotion measures for them.

(5) Inputs

(a) Japanese Side

- Study Team:

(b) Indonesia Side

- Counterpart personnel and coordination among related ministry
- Facilities and undertakings to be required for study implementation

3. Cooperation Period

One year (Expected from FY 2004)

4. Other Relevant Projects

(1) Japan

JICA: The Aftercare Technical Cooperation for the Integrated Agricultural and Rural Development Project in Southeast Sulawesi Province

JICA: Project on Strengthening Sulawesi Rural Community Development to Support Poverty Alleviation Programmes

JICA: Project on Strengthening Cluster Function of Small and Medium Enterprises

(2) Other Donors

ADB : Community Empowerment for Rural Development

ADB : Poor Farmer Income Improvement Project

ADB : Rural Micro Finance

World Bank : Sulawesi Agricultural Area Development Project

5. Type and Number of Beneficiaries

- Direct Beneficiaries : Rural people, any other stakeholders
- Number of Beneficiaries : -

6. Relevant PBISs (Requested in FY 2002)

Ministry of Agriculture

“Promotion of Pilot Model of Agricultural Credit and Rural Financial Institutions (RFI)”

“The Establishment of Rural Agriculture Financial Institutions System to Support Rural Economic Development (Micro Finance)”

“Pilot Project of Increasing Soybean Seed Production”

“Integrated Horticulture Development in Upland Areas (IHDUA-II)”

“Development of Vegetable Agribusiness System for Fulfillment the Domestic Demand”

“Rural Development Credit for Increasing Income of Small Scale Horticultural Products”

“Promotion of Community-Based Economic Activities in Agriculture

“Agribusiness Entrepreneur-ship Development Project”

7. Other Important Information

If adaptability of the project implementation is confirmed, it is expected that technical cooperation for the implementation of the model project will be conducted after the completion of the development study. Support for local agro-processing, trial of micro-credit, and improvement of accessibility to related information by farmers are thought as contents in model projects.



