

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

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

**FINAL REPORT  
EXECUTIVE SUMMARY**

**JUNE 2005**

**Nippon Koei Co., Ltd.**

RD

JR

05 - 33

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

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

**FINAL REPORT  
EXECUTIVE SUMMARY**

**JUNE 2005**

**Nippon Koei Co., Ltd.**

## LIST OF REPORTS

SECTOR ANALYSIS  
ACTION PLAN  
EXECUTIVE SUMMARY

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

**Final Report**  
**Executive Summary**

**Contents**

	<u>Pages</u>
CHAPTER 1 INTRODUCTION	
1.1 Authority .....	1-1
1.2 Background of the Support Program .....	1-1
1.3 Objective and Outline of the Support Program .....	1-2
1.3.1 Objectives of the Support Program .....	1-2
1.3.2 Target of the Support Program .....	1-2
1.3.3 Scope of the Support Program .....	1-2
1.4 Contents of Executive Summary .....	1-3
CHAPTER 2 BRIEF ACTIVITIES OF THE SUPPORT PROGRAM	
2.1 Overall.....	2-1
2.2 Sector Analysis .....	2-2
2.2.1 First Year (JFY2002) .....	2-2
2.2.2 Second Year (JFY2003).....	2-2
2.2.3 Third Year (JFY2004).....	2-3
2.3 Formulation and Monitoring of the Action Plan .....	2-3
2.3.1 First Year (JFY2002) .....	2-3
2.3.2 Second Year (JFY2003).....	2-5
2.3.3 Third Year (JFY2004).....	2-6
2.4 Preparation of Reports .....	2-6
CHAPTER 3 RECOMMENDATIONS FOR ENTIRE SUPPORT PROGRAM	
3.1 Sector Program .....	3-1
3.2 Program Cycle Management .....	3-2
3.2.1 Sector Analysis .....	3-2
3.2.2 Program Formation.....	3-4
3.2.3 Action Plan Formulation .....	3-6
3.2.4 Action Plan Implementation .....	3-7
3.2.5 Action Plan Monitoring .....	3-7
3.2.6 Program Evaluation .....	3-8

3.3	Recommended System for the Support Program.....	3-9
3.3.1	Indonesian Side .....	3-9
3.3.2	Japanese Side .....	3-9
3.3.3	Recommended Institutional System (Draft) .....	3-10

### **LIST OF TABLES**

Table 2.1	Development Issues, Cooperation Programs and Cooperation Components .....	T-1
-----------	---	-----

### **LIST OF FIGURES**

Figure 2.1	Conceptual Flow of the Support Program for Agriculture and Fisheries Development .....	F-1
Figure 2.2	Updated Action Pan .....	F-3
Figure 2.3	Process of Formation of Action Plan during the Support Program.....	F-4
Figure 2.4	Program Cycle and Project Cycle .....	F-5

### **LIST OF ATTACHMENT**

Attachment 1	Opinions about Effective or Improvable Points on the Whole Activities under the Support Program in the Seminar
Attachment 2	Opinions Raised in the Review Meeting in Japan

## CHAPTER 1 INTRODUCTION

### 1.1 Authority

This report has been prepared in accordance with the Scope of Work (S/W) for the Support Program for Agriculture and Fisheries Development (the Support Program) agreed upon between the National Development Planning Agency (BAPPENAS) of Indonesia and the Japan International Cooperation Agency (JICA) on the 8th of February in 2002.

### 1.2 Background of the Support Program

Japan has rendered a variety of technical assistance packages and financial cooperation for loans and grant-aid to Indonesia as that country's top donor in the agriculture and fisheries sector. In order to cooperate more efficiently and effectively, it became necessary to understand the changes in the economic and political affairs in Indonesia. For this purpose, JICA conducted a Sector Assistance Strategy Formulation Study on the Agriculture and Fishery Sector (Assistance Strategy Formulation Study) in June of 2001. As a result of this study, the following two Development Issues and five Cooperation Programs were identified as the direction of Japan's cooperation in the agriculture and fisheries sector in Indonesia.

Development Issue	Cooperation Program
Stable Food Supply and Improvement of Nutrition	-Program for Improving the Institution and Production Support System of Agriculture and Fishery
	-Program for Improving the Function of the Agricultural Infrastructure and Sustainable Operation and Maintenance
	-Program for the Sustainable Utilization of Fishery Resources
Raising the Income of Farmers and Fishermen and the Vitalization of the Rural Economy	-Program for Promoting Community-based Economic Activities in Agriculture and Fisheries
	-Program for Improving and Strengthening Markets for Agriculture and Fishery Products

Given the results of the above study, the Government of Indonesia (GOI) submitted a request to the Government of Japan (GOJ) in October 2001 to formulate an Action Plan and monitor its implementation. In response to this request, the GOJ decided to conduct the Support Program, and the S/W for the Support Program was agreed upon by the GOJ and the GOI on the 8th of February in 2002.

### **1.3 Objective and Outline of the Support Program**

#### **1.3.1 Objectives of the Support Program**

The objectives of the Support Program were to:

- (1) formulate the Action Plan for the above-mentioned Cooperation Programs through the Sector Analysis of the agriculture and fisheries sector and a review of the tentative direction of Japan's cooperation formulated by the Assistance Strategy Formulation Study; and
- (2) monitor the implementation of the Action Plan.

#### **1.3.2 Target of the Support Program**

##### **(1) Target Area**

All of the Republic of Indonesia

##### **(2) Agencies Concerned**

BAPPENAS is the coordinating agency. The other Indonesian agencies concerned are: 1) the State Secretariat of the Bureau of Technical Cooperation (SEKNEG), 2) the Ministry of Finance, 3) the Ministry of Agriculture (MOA), 4) the Ministry of Marine Affairs and Fisheries (MMAF), 5) the Ministry of Settlement and Regional Infrastructure (KIMPRASWIL), which has recently changed its name to the Ministry of Public Works, 6) the State Ministry of Cooperatives and Small and Medium Enterprises, 7) the Ministry of Industry and Trade (MOIT), currently MOIT is divided into two ministries, namely the Ministry of Industry (MOI) and the Ministry of Trade (MOT) (mainly this sector is covered by MOT), 8) the Ministry of Home Affairs (MOHA), and 9) the State Ministry of Women Empowerment.

##### **(3) Target Schemes**

All loan, grant-aid, and technical assistance projects being provided under Japanese ODA from 2003 to 2005.

#### **1.3.3 Scope of the Support Program**

The Support Program conducted the Sector Analysis of the agriculture and fisheries sector, and formulated the Action Plan. It then revised the Action Plan, taking into account the information obtained by monitoring activities and changes in the socio-economic conditions of Indonesia.

The Sector Analysis identified the Development Issues for the sector based on studies of the country's socioeconomic conditions and clarified the direction of Japan's cooperation. The Action Plan identified a draft of individual projects, based on the current direction of Japan's cooperation programs offered to the

agriculture and fisheries sector in Indonesia.

The Support Program was carried out in two phases.

Phase 1, carried out during the period from May 2002 until the middle of December 2002, aimed to carry out the Sector Analysis, and formulate the Action Plan and the Monitoring System through an agreement between the Japanese and Indonesian sides.

Phase 2, carried out from 2003 to 2005: i) revised the Sector Analysis for each year to obtain and understand updated information on the agriculture and fisheries sector; ii) collated and analyzed the information from monitoring activities for the projects of the Action Plan; and iii) revised the Action Plan in a timely and appropriate manner with these two kinds of information.

#### **1.4 Contents of Executive Summary**

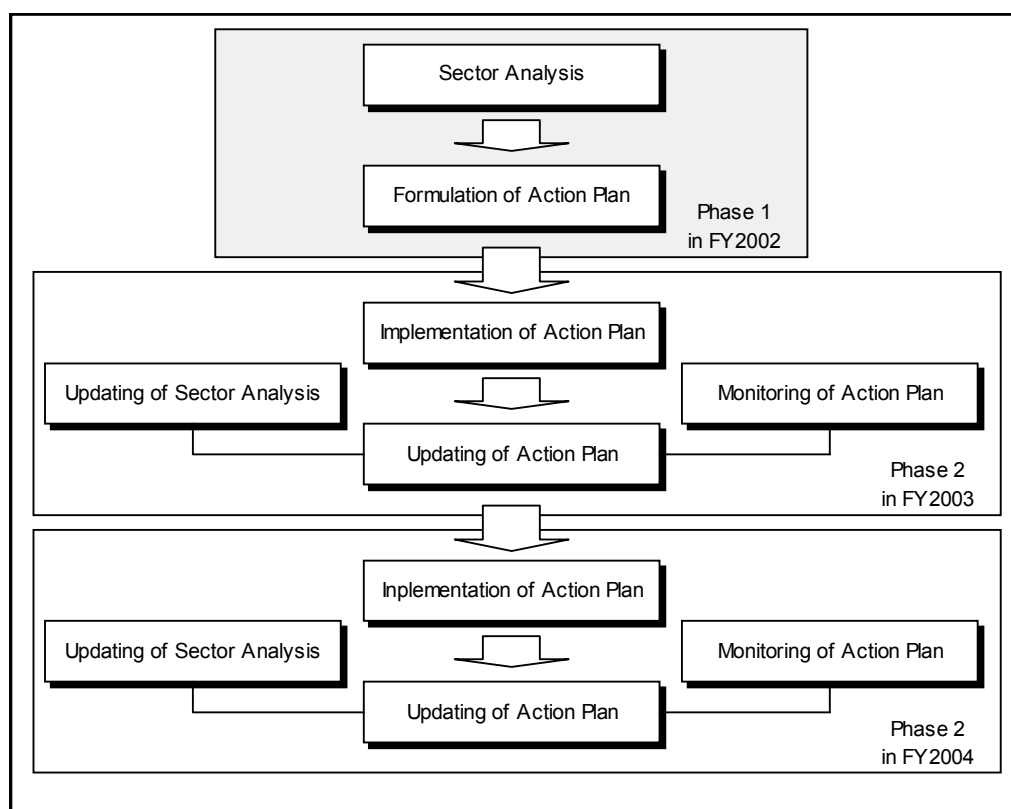
The Sector Analysis and its update, the formulation of the Action Plan and its update, and monitoring of the Action Plan were implemented with discussions between the Japanese side and Indonesian side in the Support Program over three years. This executive summary presents the lessons learned from the whole Support Program, which can be referred to during the design of new programs for further assistance for the agriculture and fisheries sector in Indonesia.



## CHAPTER 2 BRIEF ACTIVITIES OF THE SUPPORT PROGRAM

### 2.1 Overall

The aim of the Support Program was to formulate the Action Plan for the Japanese Cooperation Programs in the agriculture and fisheries sector in Indonesia and to monitor its implementation. The Support Program was composed of Phase 1 and Phase 2 as illustrated in the conceptual schematic flow of the Support Program in Figure 2.1 and summarized below.



In Phase 1, the Sector Analysis was carried out for the agriculture and fisheries sector in line with the government policy taking into account the socio-economic condition of Indonesia. As a result of the Sector Analysis, direction and strategy of Japanese assistance for the sector were formulated to be two Development Issues and five Cooperation Programs as well as the Cooperation Components under the program. Based on this direction and strategy, an Action Plan and its monitoring system were formulated covering the three years from FY2003 through FY2005.

In Phase 2, the Sector Analysis and the Action Plan have been updated based on the information collected through the study and monitoring. Table 2.1 and

Figure 2.2 show the Final version of Development Issues, Cooperation Programs and Cooperation Components as well as the Updated Action Plan at the end of Phase 2.

## 2.2 Sector Analysis

### 2.2.1 First Year (JFY2002)

Through the review of national socio-economic conditions and analysis of the agriculture and fisheries sector, the subjects were identified that were to be considered for the future development of the sector. Based on the subjects identified along with a review of the national development plans and international assistance by Japan and other donors, the Development Issues and Cooperation Programs were confirmed as the direction of Japan's cooperation, then, the Cooperation Components were discussed and examined. Major items of the Sector Analysis done are listed below:

Socio-Economic Condition	Macro-economy, Finance, Poverty, Decentralization, Economic Globalization
Sector Analysis	Land Use, Agricultural Production, Livestock, Agricultural Infrastructure, Water Management and O&M of Irrigation Facilities, Marketing, Agricultural Extension, Agricultural Credit, Farmers' Organizations, Agribusiness, Fish Consumption & Intake Volume, Policy & Institution for Fishery Promotion, Fishery Production & Technology
Economic Development Plans and International Cooperation	Five Year National Development Plan, Japanese Assistance, Activities by Major Development Agencies
Examination of Cooperation Components	Updating and Revision of Cooperation Component

### 2.2.2 Second Year (JFY 2003)

During the second year in FY2003, the latest statistical data and relevant information were collected and the Sector Analysis was updated, particularly regarding the socio-economic condition and the agriculture and fisheries sector. Regarding the decentralization, two studies were carried out for: (1) review of legal documents on decentralization in the agriculture and fisheries sector at the central government levels, and (2) clarification of decentralization at kabupaten

level in the South Sulawesi province, particularly focusing on local government organization, human resources, finance, and development planning process. The study results were incorporated in the Sector Analysis, and discussed in the seminar in the third year.

### 2.2.3 Third Year (JFY 2004)

Since the third year was the last year of the current national development plan, a new national development plan was in the process of preparation; therefore, information on the new plan was collected. At the same time, changes in the socio-economic conditions and the sector were also incorporated in the Sector Analysis. An additional study on decentralization was made in South Sulawesi on financial budget flow from the central to the regional government for agricultural extension and irrigation O&M. Another aspect focused on was the policy change in irrigation management caused by the new water law enacted in March 2004. Historical background and major points according to the new water law were reviewed and discussed with the relevant agencies. The results and review of the additional studies were reported and disseminated to the relevant agencies through a seminar.

## 2.3 Formulation and Monitoring of the Action Plan

### 2.3.1 First Year (JFY2002)

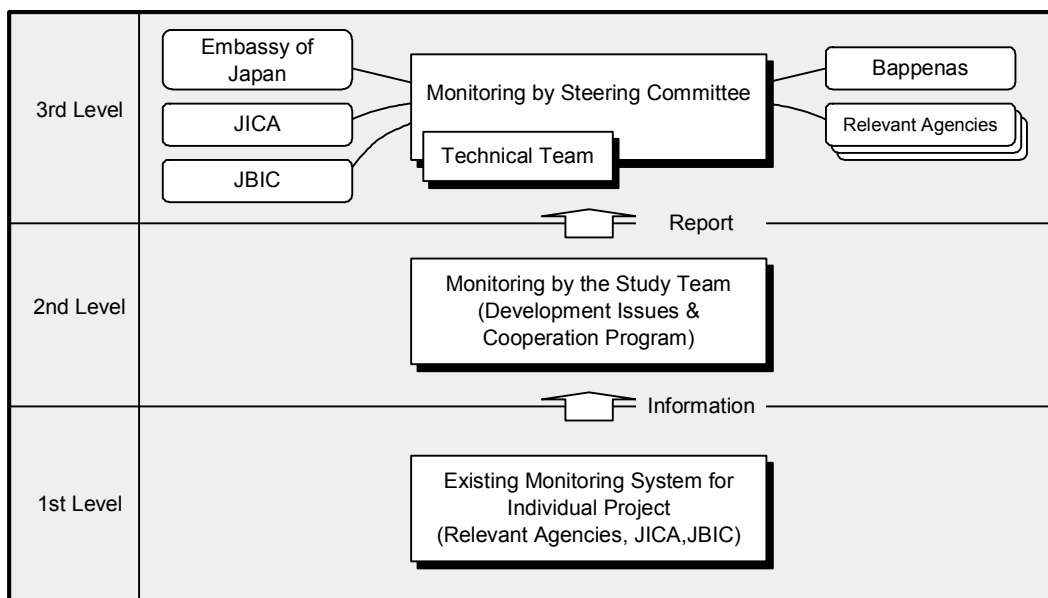
The Action Plan was formulated through listing the projects in each of the Cooperation Programs according to the direction and strategy of Japan's cooperation as formulated in the Sector Analysis. The projects in the Support Program are principally divided into two categories, namely: i) projects already implemented or under process of implementation ("on-going or completed projects" and "projects adopted but not implemented yet" as shown in the Action Plan), and ii) projects newly designed and formed ("newly planned projects").

Regarding the projects financed by JBIC, they are listed in the Action Plan only after the Exchange of Notes or Loan Agreement is concluded. This is because the formation process and characteristics of projects under finance by JBIC are quite different from the JICA projects. Finally, there were 34 projects in total listed in the Action Plan in this stage, composed of 24 projects in the implementation and preparation stages and 10 newly formulated projects.

The formulation process of the Action Plan is illustrated in Figure 2.3. Based on the information regarding the new projects collected in the JICA Needs Survey and opinions obtained in the discussions with the relevant Indonesian agencies, the Action Plan was formulated taking the Development Issues and Cooperation Programs into account.

Information of new projects nominated in the Action Plan is conveyed to the Japanese side, and the project components are further discussed and adjusted, then and the actions to lead implementation are implemented.

A draft monitoring system for the Action Plan was discussed and formulated in this stage, and its schematic image is shown below: In the monitoring system, monitoring activities are classified into three levels as shown below:



The 1<sup>st</sup> level of the monitoring system is for the individual project level. On-going projects are monitored under the existing system, usually operated jointly by the Indonesian implementing agency and the Japanese cooperation agency. For the projects newly formed under this program, information is collected on the promotion progress, and assistance for promotion activities is given, if necessary.

The 2<sup>nd</sup> level of the monitoring system is for the Action Plan as well as the Development Issues and Cooperation Programs. Information regarding individual projects is collected from the existing monitoring system and sorted by issues and programs and compiled into the monitoring report.

In the 3<sup>rd</sup> level, the result of the 2<sup>nd</sup> monitoring level as compiled in the monitoring report is discussed in the Steering Committee organized by the relevant agencies

of Indonesia and Japan. In this level, the information on the overall progress of the Action Plan is shared by the concerned agencies. Before calling the Steering Committee, a technical team of members nominated from the implementation agencies is organized for pre-discussion at the practical level.

### 2.3.2 Second Year (JFY2003)

In the 2<sup>nd</sup> year, the Action Plan formulated in the 1<sup>st</sup> year was monitored and updated based on progress and the selection of new projects. For updating, new projects are selected from the JICA Needs Survey according to the direction of Japan's cooperation. In addition, the projects, newly formed in the 1<sup>st</sup> year but not implemented, are modified for implementation.

Finally, 37 projects in total were listed in the Action Plan in this stage composed of 33 projects in implementation and preparation stages and 4 projects newly formulated.

Regarding the individual projects, the implementation ministries and cooperation agencies have the existing monitoring system, as mentioned below:

In Bappenas, the Directorate of Monitoring and Evaluation of Financing under the Development Affairs has been monitoring all the JBIC financed projects, and organizing meetings with the implementation agencies every three months regarding: i) disbursement, ii) physical progress, and iii) issues to be attended. The monitoring report is also prepared every three months. Regarding the grant aid, a monitoring system is under preparation.

The Ministry of Public Works, previously known as the Ministry of Settlement and Regional Infrastructure, is conducting the monitoring of JBIC projects, and its information is sent to the Bappenas. In the Ministry of Agriculture, each Directorate General monitors the projects. In the Ministry of Marine Affairs and Fisheries, the Bureau of Planning and Foreign Cooperation monitors the progress of the foreign assisted projects.

JICA has its own monitoring system for all the cooperation schemes like technical assistance projects, grant aid and development study. Each project is periodically monitored jointly by JICA and Indonesian implementing agencies, and the monitoring results are agreed to by both sides. JBIC monitors their financing projects through pre-evaluation, medium-term review, and post-evaluation.

The monitoring information collected from the above existing system is compiled

into the monitoring reports.

### 2.3.3 Third Year (JFY2004)

New projects were selected and formed based on the Cooperation Programs and Cooperation Component along with the JICA Needs Survey, and listed in the updated Action Plan.

In the final updated Action Plan, 39 projects are listed in total, including 34 projects under implementation or completed, and 5 newly planned projects as the result of examination by the Japanese side as of end of May 2005.

Further, the monitoring information on the Action Plan was collected from the existing monitoring systems for each project and the results were compiled into the Monitoring Report. The report and monitoring results were explained to the agencies concerned and discussed in the Technical Team Meeting and Steering Committee.

## 2.4 Preparation of Reports

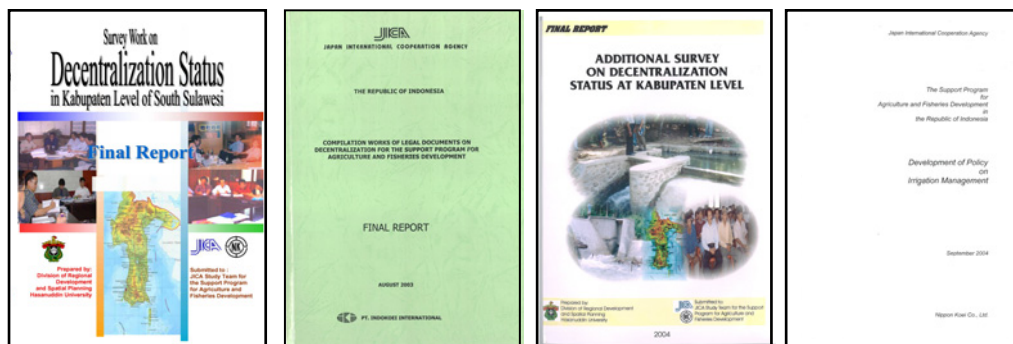
The results of Sector Analysis and the Action Plan were compiled into the following reports:

- 1) Sector Report                      Sector Analysis and Action Plan  
(submitted in 2002)
- 2) Sector Report No.2              Sector Analysis and Action Plan  
(submitted in 2004)
- 3) Final Report                      Sector Analysis, Action Plan and Executive  
Summary (submitted in 2005)
- 4) Monitoring Reports              No.1 (submitted in 2003), No.2, No.3 (submitted  
in 2004)
- 5) Reports on particular study items
  - Survey Work on Decentralization Status in Kabupaten Level of South Sulawesi (submitted in 2003)
  - Compilation Works of Legal Documents on Decentralization for the Support Program for Agriculture and Fisheries Development (submitted in 2003)
  - Additional Survey on Decentralization Status at Kabupaten Level (submitted in 2004)

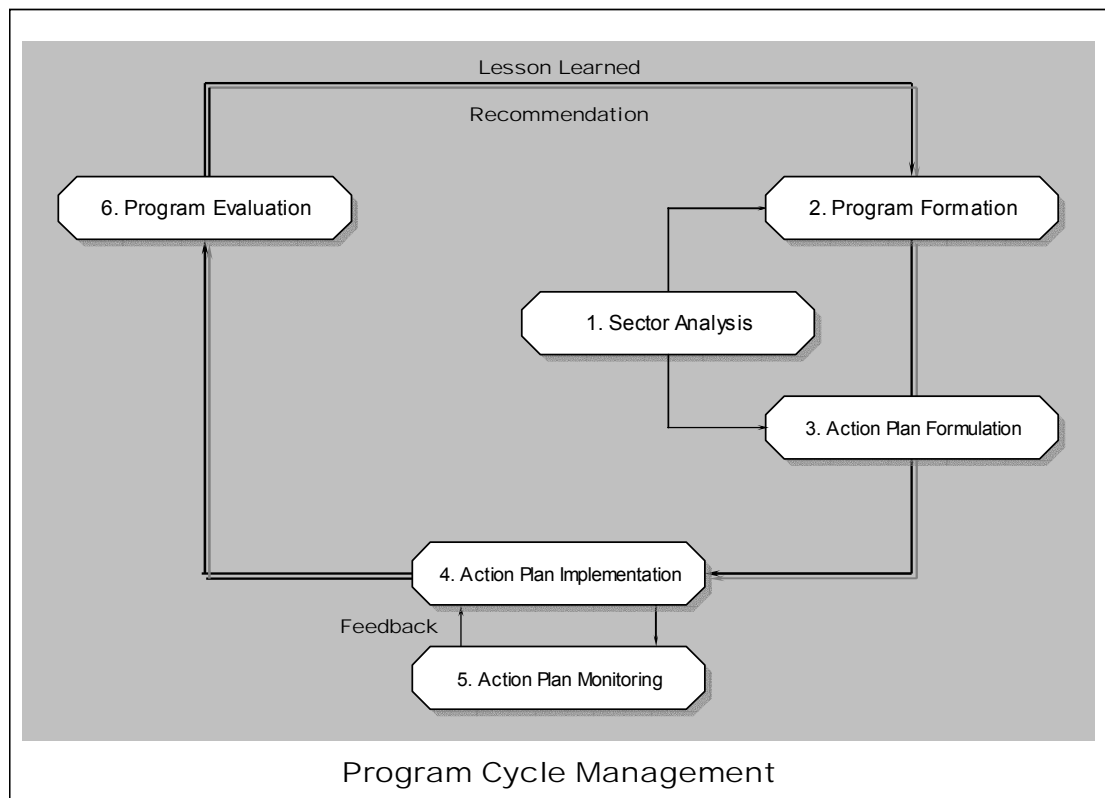
- Development of Policy on Irrigation Management  
(submitted in 2004)

Monitoring Reports were prepared to present the progress of the Action Plan during a certain time and are not the final products of the program. Therefore, the contents of the Monitoring Reports are incorporated into the Final Report: Action Report.

All the studies for the Sector Analysis were carried out by employing Indonesian resources like local consultants and universities. The survey results were utilized for the Sector Analysis and seminars were also held to disseminate the results to the personnel concerned in their use



The Support Program can be regarded as a part of the process in the Program Cycle, detailed in Chapter 3 of this report. The processes of the Sector Analysis, Action Plan Formation and Action Plan Monitoring are closely inter-related and the processes are updated every year. In the framework of the Program Cycle, the schematic flow of the processes is illustrated below:

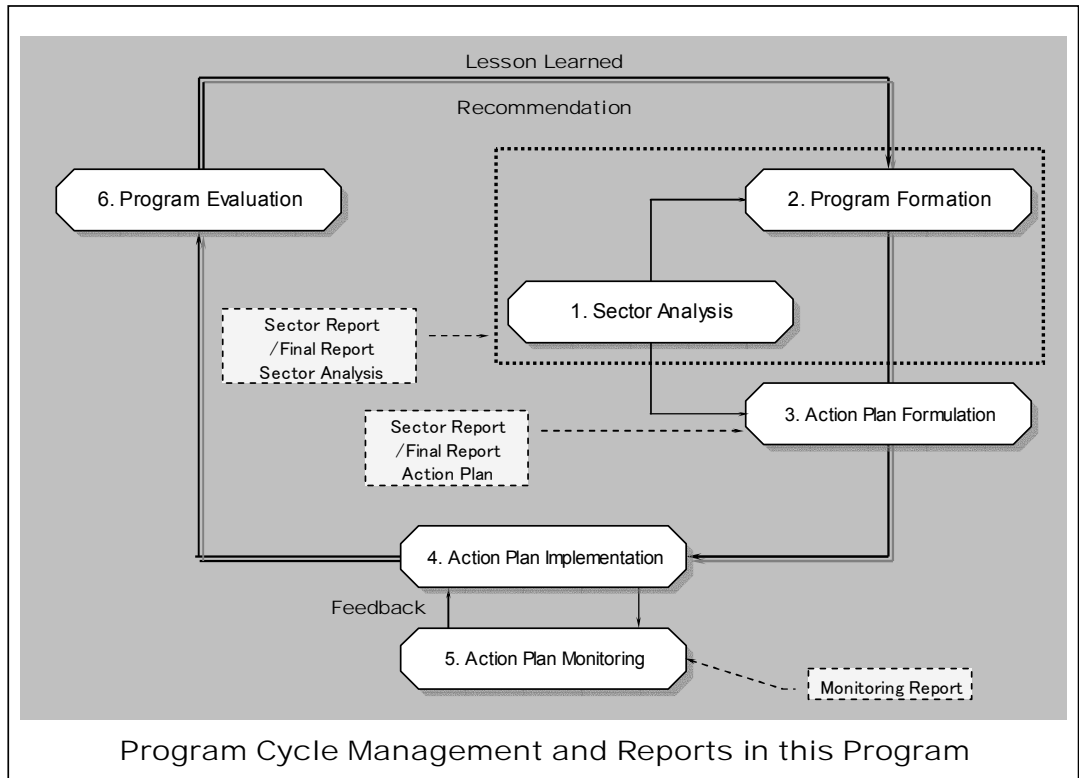


The Program and the Action Plan were prepared in Phase 1 of the Support Program. The major activities carried out during the following two years in Phase 2 were the updating of the Sector Analysis, revision of the Programs, updating of the Action Plan, and monitoring of the Action Plan. The relationship between the Program Cycle and the Activities are summarized in the table below.

Phase	Process in Program Cycle					
	1. Sector Analysis	2. Program Formation	3. Action Plan Formulation	4. Action Plan Implementation	5. Action Plan Monitoring	6. Program Evaluation
Phase 1	Prepared	Formed	Formulated	Not included in Phase 1	Draft system formulated	Not included in Phase 1
Phase 2	Updated	Updated	Updated	Implemented	Monitored	Not included in Phase 2



Results of the activities under the Support Program are compiled into the reports as shown in the figure below. Results of (1) Sector Analysis and (2) Progress Formation are compiled into the Sector Analysis. Results of (3) Action Plan Formulation and (5) Action Plan Monitoring are compiled into the Action Plan and the Monitoring Reports, respectively.



## **CHAPTER 3    RECOMMENDATIONS FOR THE ENTIRE SUPPORT PROGRAM**

### **3.1    Sector Program**

The Support Program is the framework of the Japanese assistance to the agriculture and fisheries sector in Indonesia, showing the Development Issues, Cooperation Programs and Cooperation Components as the direction of Japan's cooperation identified through the Sector analysis, and also showing the Action Plan formulated based on the direction, together with updating of the Sector Analysis and monitoring of the Action Plan.

In the Support Program, Bappenas stated that the next national development plan would be prepared utilizing results of the Sector Analysis, as mentioned in Section 3.2.1, and a series of meeting were held to discuss with the Study Team for updating the Sector Analysis in a certain line ministry. Moreover Bappenas organized two seminars to introduce the result of decentralization surveys conducted by the study team. This is one of the effects of this Support Program induced through capacity development for the government officials to increase to formulate and implement policies. It is recommended that these activities relating to the Support Program would be continued under the initiative of Indonesian side.

On the other hand, a similar procedure exists to share information regarding the cooperation direction called as the "Sector Program"<sup>1</sup> which is one of the framework for international aid coordination among donors. The following table shows the difference and similarity between these two Programs:

---

<sup>1</sup> A Sector Program is generally thought as a sort of the SWAps (sector wide approach). SWAps is a mechanism by which government and donors can support the development of a sector in an integrated fashion through a single sector policy and expenditure program under government leadership, and most of the Sector Program are implemented in African countries. However concrete understanding of the Sector Program shows wide variation among the donors. According to "An Introduction to Sector Program" published in March 2005 by International Development Center of Japan, the components of the characteristic are as follows:

- 1) A single policy framework owned commonly by the government and donors
- 2) A single mid-term expenditure framework owned commonly by the government and donors
- 3) A guarantee of budgetary support from the government and donors
- 4) Monitoring and evaluation
- 5) A process to prepare and implement the above under the initiative of the government for coordination of stakeholders.

Difference	Similarity
<ul style="list-style-type: none"> <li>-Members of the program (multilateral or bilateral)</li> <li>-A single policy framework owned commonly by the government and donors</li> <li>-A single expenditure framework owned commonly by the government and donors</li> </ul>	<ul style="list-style-type: none"> <li>- Agreement on Program made between assisted country and assisting countries</li> <li>- Program crossing the relevant agencies of the assisted country</li> <li>- Framework to coordinate among the stakeholders under the initiative of the government</li> </ul>

## 3.2 Program Cycle Management

The activities under the Support Program are categorized into several steps and processes as mentioned in Chapter 2. Then, the steps and processes are linked and cycled in the Program. Therefore, an idea of program cycle management can be proposed for management of activities and processes as shown in Figure 3.1, similar to the concept of project cycle management. This idea includes the concept of New Public Management (NPM)<sup>2</sup> introduced in international cooperation and assistance. The steps and processes of the program cycle comprise the following six categories;

1. Sector Analysis
2. Program Formation
3. Action Plan Formulation
4. Action Plan Implementation
5. Action Plan Monitoring
6. Program Evaluation

Details are described in the following subchapters.

### 3.2.1 Sector Analysis

The Sector Analysis was conducted in order to lead the direction of cooperation to formulate the program. Items of the analysis are “Socioeconomic Conditions in Indonesia”, “Sector Analysis in the Agriculture and Fisheries Sector”, “Economic Development Plans and Present Conditions of International Cooperation for the Agriculture and Fisheries Sector”, and all of these items were updated in the analysis each year.

The level of the Sector Analysis is limited to identify the issues and subjects covering a wide range of aspects in the sector and produce the broad direction for cooperation. Therefore, detailed analysis would be required in seeking

---

<sup>2</sup> NPM (New Public Management): a new management method in the public sector, developed in the background of the increase of fiscal deficit after 1970's and performance decrease in the public sector. A private management method was applied to this method and PDCA cycle (Plan-Do-Check-Action) and the performance-based evaluations are valued in this method, and securing transparency and the accountability is expected as an effect.

countermeasures on particular issues to lead project formation. In order to analyze such issues, it is recommended that additional in-depth studies should be conducted on the particular items to be identified through the process of updating the Sector Analysis in a future stage of the Program. Results of the additional studies will be fed back to the Sector Analysis and also utilized for project formation. Then, to disseminate and utilize the results, seminars and workshops will be conducted. The following issues are identified through the current Sector Analysis and proposed for further detailed analysis.

Sub-sector	Issues
Decentralization	<ul style="list-style-type: none"> <li>- Impact on request system such as JICA needs survey</li> <li>- Sharing system between central and regional governments on foreign loans</li> <li>- Constraints on fiscal/budgetary aspects, administrative system, and project implementation</li> <li>- Revision of two laws concerning decentralization</li> </ul>
Program	<ul style="list-style-type: none"> <li>- Situation of project implementation by other donors toward the subjects and issues identified in the Sector Analysis</li> <li>- Situation of policy execution and budget allocation by the government toward the subjects and issues identified in the Sector Analysis</li> </ul>
Region	<ul style="list-style-type: none"> <li>- Analysis of regional characteristics on important topics such as poverty</li> </ul>
Marketing	<ul style="list-style-type: none"> <li>- Concrete analysis on marketing inefficiency</li> </ul>
Land use	<ul style="list-style-type: none"> <li>- Issues on small land holding size in Java because of great increase in population</li> <li>- Issues on conversion of farmed land into other purposes</li> </ul>
Irrigation	<ul style="list-style-type: none"> <li>- Irrigated land decrease due to deterioration of irrigation facilities, and clarification on role of irrigation development for future paddy and crop production policy</li> <li>- Legal reformation on irrigation and water resources management</li> </ul>
Fishery (including Fisheries Villages)	<ul style="list-style-type: none"> <li>- Strengthening of fishery resource management system under decentralization</li> <li>- Post harvest</li> <li>- Strengthening of fishery organizations</li> </ul>

The Sector Analysis in the Support Program was conducted by referring to such national development policies as PROPENAS (2000 to 2004) and development plans (2000 to 2004) of major line ministries, taking into account the study period (FY2002 to FY2004) and the target period of the Action Plan (FY2003 to FY2005). On the other hand, at the end of 2004 when activities of the Program were practically over, a new cabinet was established through inauguration of the new president of Indonesia. Under the new cabinet, the government formulated

and published a new Mid-term National Development Plan (RPJM) covering the period of five years from 2004 to 2009, and at the same time, preparation of PRSP has been under finalization. Accordingly, line ministries are preparing the next development plan (2005 to 2009) based on the RPJM. Therefore, these macro policies should be reviewed and the review results should be included in the Sector Analysis.

RPJM is the macro policy plan covering the mid term period from 2004 to 2009, and stipulates three pillars of i) Secure and Peaceful Indonesia, ii) Fair and Democratic Indonesia and iii) More Prosperous Community, as the Mission. RPJM puts its priority in agriculture and fisheries sector to “revitalization of agriculture” and “stable rural development” in the Mission of “Community Prosperity”.

PRSP would be a detailed plan referring to “Poverty Reduction” in the Mission for “Community Prosperity” stipulated in RPJM with the target to reduce the below poverty line at 8.2% of the population by 2009. The major policies for poverty reduction are i) Micro economy policy, ii) Policy for fulfillment of basic human rights, iii) Policy for gender justice and equality, and iv) Support policies for fulfillment of basic human rights. For implementation of the policies, action plans would be prepared. Current information on RPJM and PRSP is as follows.

At the same time, the GOJ finalized the Country Assistance Program for Indonesia in November 2004. The target period of the Program covers five years, thus review of the Program is required to reflect the concept and strategies to the analysis as well.

### 3.2.2 Program Formation

The cooperation direction was formulated and updated through “Examination of Cooperation Components” described in the Sector Analysis Report, being closely connected with the process of “Sector Analysis” mentioned in 3.2.1. The final cooperation direction of the Support Program (Development Issues, Cooperation Programs and Cooperation Components) through the study activities over three years are shown in Table 2.1. The following two Cooperation Components were revised in the process of updating the Sector Analysis, reflecting updated policies and situations in Indonesia:

- Cooperation component 2-1  
from “Support for turnover of irrigation O&M to WUAs and local governments”

- to “Support for participation of WUAs in irrigation O&M and rehabilitation”
- Cooperation component 3-1
  - from ”Cooperation in establishing the resource management system for sustainable development of coastal and inland open water capture fishery and fish culture”
  - to ”Cooperation in establishing the resource management scheme for the sustainable development of the fisheries and fisheries communities”

Prior to the Support Program, JICA conducted the Sector Assistance Strategy Formulation Study on the Agriculture and Fishery Sector (Assistance Strategy Formulation Study) in 2001. This study examined the roles of the agriculture and fisheries sector as well as agricultural and fishing village development from the macro economic viewpoint at the national level and from the producer’s viewpoint of farmers and fishermen at the private level. As a result, two Development Issues were identified, i.e. “Stable Food Supply and Improvement of Nutrition” and”Raising the Income of Farmers and Fishermen and the Vitalization of the Rural Economy”.

Before the above Assistance Strategy Formulation Study and the Support Program, the Japanese cooperation had been directed toward the improvement of production techniques for major food crops and infrastructure. It could be assessed that the cooperation in technical matters for production and infrastructure had to some extent achieved the desired goals.

Therefore, under the present Support Program, more priority was given to technical assistance for things such as establishment and strengthening of institutions like farmers’ organizations institutional building, the training of related officers and farmers, and the operation and maintenance of irrigation facilities.

Although recommendations for the future cooperation direction of the Program are expected through the program evaluation that is to be carried out after completion of the Support Program, policies in the new development plans of GOI would be reviewed to confirm the direction of the Program.

The Japanese Country Assistance Program for Indonesia mentioned in 3.2.1 states that the assistance for the agriculture and fisheries sector is one of the measures to alleviate poverty as specified in “Vitalization of agriculture and fisheries villages” under the key goals to achieve “Creation of democratic and impartial society”. Therefore, the present cooperation direction formulated in the Support Program would be confirmed in terms of relevancy to the latest Country Assistance

Program.

It is recommended that a new program should be formulated jointly by Indonesian and Japanese sides working closely.

### 3.2.3 Action Plan Formulation

According to the cooperation direction as formulated and updated under the Support Program, the Action Plan was formulated as a list of all the projects under Japanese assistance to the agriculture and fisheries sector. Because all the on-going projects already implemented were listed in the Action Plan at the initial stage, not all of the projects seem to be referred to in the program mentioned in Section 3.2.2. However, “newly planned projects” were formulated under the Support Program by referring to the program. The Final version of Updated Action Plan as of May 2005 is shown in Figure 2.2. During the Support Program, the following individual projects were approved and implemented (including completed projects). Out of these projects, the projects completed or being implemented are underlined 6 projects.

Program for Improving the Institution and Production Support System of Agriculture and Fisheries

- 1-01: Institutional Support for Food Security
- 1-08: Project for Dissemination of Appropriate Dairy Technology Utilizing Local Resources
- 1-09: Beef Cattle Development Project Utilizing Local Resources in the Eastern Part of Indonesia
- 1-10: Livestock Development Advisor

Program for Improving the Function of the Agricultural Infrastructure and Sustainable Operation & Maintenance

- 2-02: Water Users Association Strengthening
- 2-14: Komerang Irrigation Project Stage II, Phase 2

Program for Sustainable Utilization of Fisheries Resources

- 3-04: Project for Dissemination of Sustainable Mariculture Technology
- 3-05: Project for the Promotion of the Sustainable Coastal Fisheries
- 3-07: Rehabilitation and Improvement Project of Jakarta Fishing Port

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

- 4-01: The Study on the Improvement of Farmers' Income: Agricultural Processing and Rural Micro Finance

Program for Improving and Strengthening Markets for Agriculture and Fishery Products

- 5-01: Study on Improvement of Institutions and Information Systems for Agriculture Product Market

As described in Chapter 2, JICA conducts the Needs Survey every year, in order to collect information regarding new projects from the line ministries. In the formal process, information regarding new projects is submitted to the Japanese side through Bappenas, scrutinized by Japanese side, and the results are notified to Indonesian side. During the Support Program, information from the JICA Needs Survey is utilized for formulating and updating the Action Plan. In the next stage of the Support Program, the JICA Needs Survey would be integrated into the process to update the Action Plan. Regarding the new projects to be financed by JBIC, the project formation is achieved through a different process, and further discussion is required to incorporate the formation process of JBIC financed projects into the Support Program.

In the formulating and updating processes of the Action Plan, especially the selection process for new projects, both the Indonesian and Japanese sides should jointly discuss and examine information regarding new projects. This will result in transparency in the formulation and selection of new projects.

#### 3.2.4 Action Plan Implementation

Since the Action Plan is a list of the projects, the implementation of the Action Plan is expressed as the status of implementation of the individual projects. Each individual project has its own project cycles for management and monitoring under the implementation agency, and is implemented according to the cycle.

#### 3.2.5 Action Plan Monitoring

The contents of the monitoring are assumed to be as follows.

- 1) Collection and compilation of information on the projects under the approval process, and facilitation for their approval,
- 2) Collection and compilation of information on the projects under implementation process after approval, and facilitation for their implementation,
- 3) Collection and compilation of information on the projects under implementation, and facilitation for their smooth implementation,
- 4) Monitoring of the status and progress of the Action Plan based on the above information collected for each project such as the number of projects and linkage between projects and subjects identified in the Sector Analysis



5) Monitoring of the output and/or outcome of the program.

Each project is managed, monitored and evaluated at each stage of the project cycle according to the type of cooperation as mentioned in Figure 3-1. It is also practically difficult to study each project in detail for monitoring, therefore, the information regarding each project would be obtained from the reports or public sources produced at each project cycle then utilized for the program cycle (Action Plan Monitoring). Moreover, the information regarding Action Plan Monitoring would also be used by each project cycle, if necessary.

In the Support Program, collection and compilation of information in above mentioned 1) ~ 4) were conducted and the information obtained from the monitoring activities was compiled into the Monitoring Report. Based on the report, the present status of the program was confirmed and the information was shared by the relevant agencies. As for the facilitation in 1) to 3), the monitoring information enables the relevant agencies to facilitate the project at each stage of the project cycle.

The monitoring activity in the future Support Program would be presented in the “status of the Action Plan” as the monitoring of the program like 1) to 4). The monitoring indicators would be: a) relevancy of the contents of the project toward the cooperation direction of the Support Program and b) number of projects in each program.

Monitoring of output/outcome of the Action Plan will be made based on those of each project through post-evaluation of the project. Post-evaluation of projects will be made after the Support Program, therefore, this situation does not enable monitoring and evaluation of output/outcome of the Action Plan.

The Indonesian side stated that the program monitoring meetings should be held regularly. It is very important for the Indonesian side to manage the program by use of the Monitoring Report, therefore, it is recommended that these monitoring meetings should be held regularly if the program continues.

### 3.2.6 Program Evaluation

The program evaluation is proposed to be implemented from three viewpoints<sup>3</sup>: 1) purpose, 2) process, and 3) outcome. Although program evaluation will be implemented some time after its completion, the current remarks regarding these three viewpoints are as follows:

---

<sup>3</sup> Guideline on ODA Evaluation; Ministry of Foreign Affairs, Japan

- 1) As for purpose, the method and procedure are evaluated in setting the Development Issues, Cooperation Programs and Cooperation Components through review of the latest national policies.
- 2) As for the process, the mechanism and process of the Support Program are evaluated, and the evaluation results should be utilized for the next program formulation because the mechanism and process are the most important elements.
- 3) As for outcome, the Support Program will be evaluated based on evaluation results of the impact evaluation on each project that is to be made some time after termination of the Program in FY2005. A method of evaluation can be applied to derive the program outcome, compiling the project outcome obtained from the evaluation report that is prepared under each project cycle.

In formulating a new program after the Support Program, it is necessary to examine a methodology to evaluate program outcome, showing indicators to measure outcome of the program, the relationship among projects, and the synergy effects of them and so on before commencement of program.

### **3.3 Recommended System for the Support Program**

#### **3.3.1 Indonesian Side**

Bappenas, the coordinating agency of this Support Program, has a demand that the discussions and decisions should be made on the cooperation direction and new projects through holding regular monitoring meetings in this Program. Moreover, Bappenas also stated the necessity of the assistance from Japan for the screening of new projects in the JICA Needs Survey.

Taking the above demands into account, therefore, it is proposed to assign full-time personnel for taking charge of the Program in Bappenas. And it may be desirable to allocate personnel in charge of coordination of the Program at the Planning Bureau or International Cooperation Bureau in the Secretariat General in the line ministries. Then, an institutional system should be established to coordinate the relevant line ministries under the initiative of the personnel assigned in Bappenas. In the relevant line ministries, the personnel in the Secretary General would coordinate each Directorate General and the Agencies.

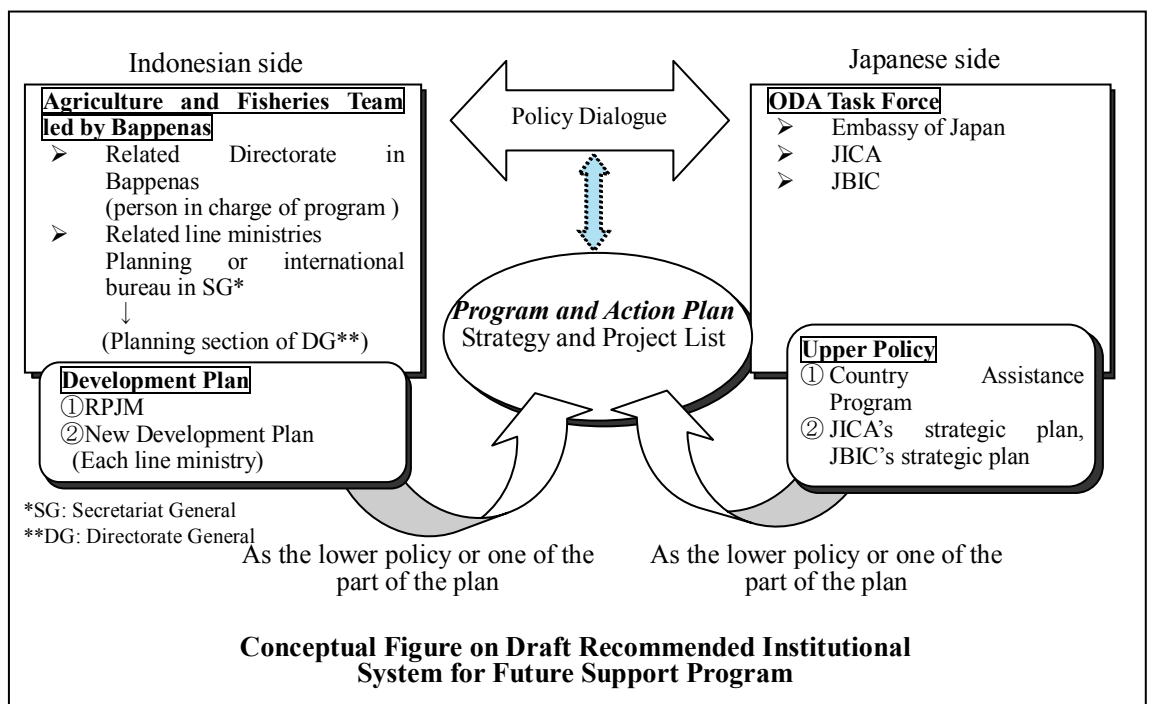
#### **3.3.2 Japanese Side**

In order to assist this type of Program, it is essential to coordinate among the Ministry of Foreign Affairs, the Ministry of Agriculture, Forestry and Fishery, the

Embassy of Japan, JICA (headquarters and Indonesia Office), and JBIC (headquarters and Jakarta Office). And it is also important to obtain opinions from knowledgeable people and concerned JICA experts in the relevant ministries. In order to discuss with the Indonesian side throughout the process, it is proposed that the ODA Task Force should function to communicate with the Indonesian side for the Program.

### 3.3.3 Recommended Institutional System (Draft)

Based on the above mentioned discussion, a future institutional system is recommended at the draft level in this report as shown in the following figure.



Based on the above recommended institutional system, it is proposed to implement the Program Cycle Management through strengthening the coordination led by Bappenas with the related line ministries and to prepare and implement the Japanese assistance strategy to the agriculture and fisheries sector in Indonesia under the cooperation between Indonesian side and Japanese side. The Japanese side will also be required to assist to implement the Support Program jointly with the Indonesian side in all the processes of the program cycle management, by communicating with relevant agencies and concerned persons mentioned above through the ODA Task Force.

Through the current Support Program, the transparency of the assistance was

improved since the examination results of new projects and the information of project implementation were explained to and shared with Bappenas and related line ministries. The Program indicated Japan's cooperation direction and established the framework to formulate new projects. The Program also provided the place to discuss the Japanese assistance across the ministries. Efficient and effective implementation of assistance is expected to be accomplished in the future, based on the lessons learned from the Support Program.

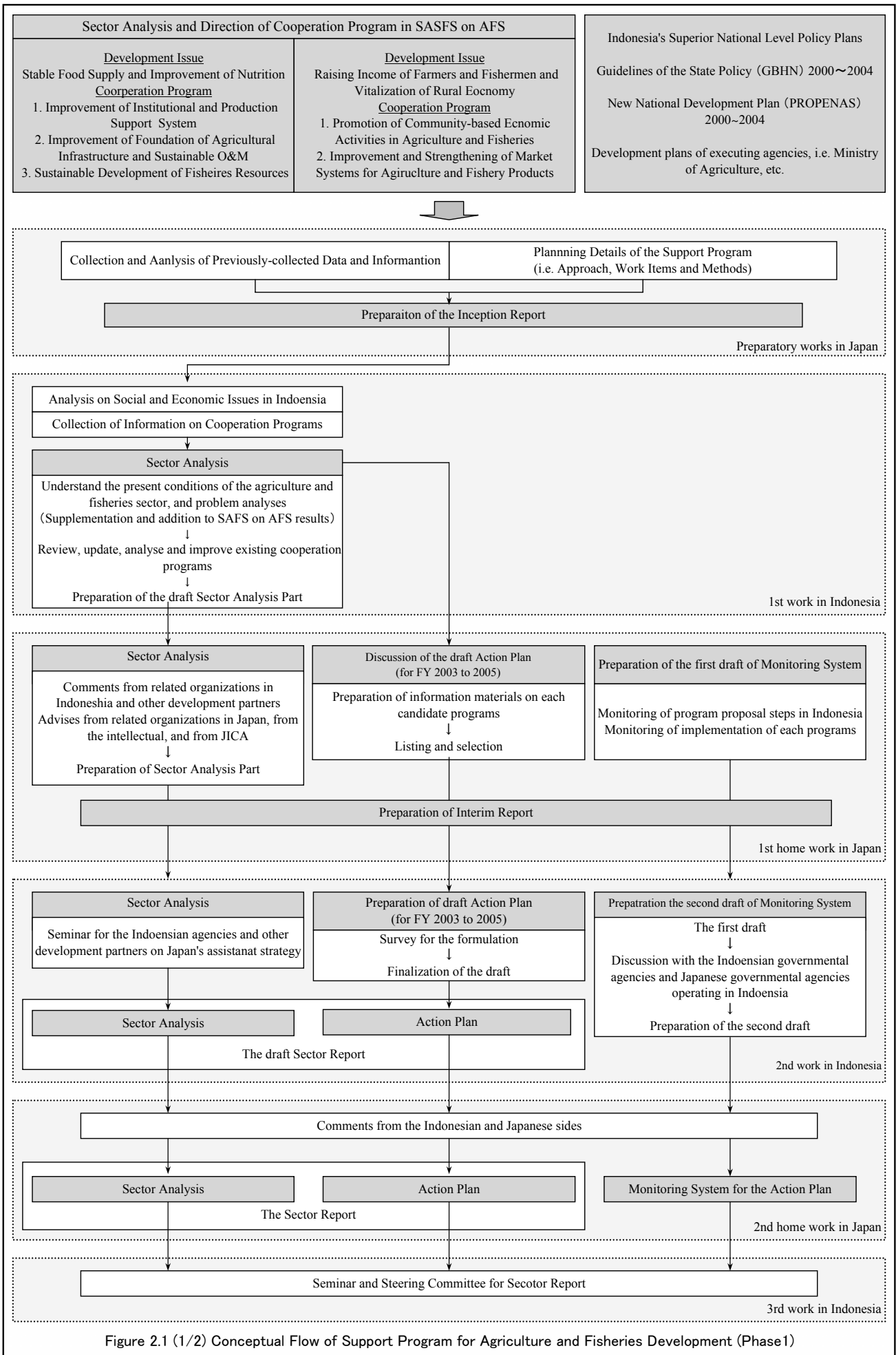
Opinions about effective or improvable points on the Support Program are presented in the Attachment, which obtained in the seminar held in Indonesia and the review meeting held in Japan at the final stage of the Support Program.

## **Tables**

**Table 2.1 Development Issues, Cooperation Programs and Cooperation Components**

<b>Development Issue</b>	<b>Cooperation Program</b>	<b>Cooperation Component</b>
<b>I. Stable Food Supply and Improvement of Nutrition</b>	<b>1. Improving the Institution and Production Support System of Agriculture and Fisheries</b>	1-1 Support for policy and institutional system in line with the decentralization policy  1-2 Development of livestock industry utilizing local resources
	<b>2. Improving the Function of the Agricultural Infrastructure and Sustainable Operation &amp; Maintenance</b>	2-1 Support for participation of WUA in irrigation O&M and rehabilitation  2-2 Strengthening of WUAs and local governments for the above-mentioned purpose  2-3 Rehabilitation of existing facilities and development of small scale irrigation for the above-mentioned purpose
	<b>3 Sustainable Utilization of Fishery Resources</b>	3-1 Cooperation in establishing the resource management scheme for the sustainable development of the fisheries and fisheries communities  3-2 Promotion of coastal and inland capture fishery and fish culture for expansion of local consumption of fishery products at low prices
<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>	4-1 Encouragement of local processing industries for agriculture and fishery products  - Recommendation for institutional framework for creation of incentives for investments  - Recommendation for information system  - Encouragement and strengthening of farmers' and fishermen's organizations to promote the local processing industries for agricultural and fishery products  - Improvement of necessary infrastructures such as small-scale facilities for the above-mentioned purpose  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
	<b>5. Improving and Strengthening Markets for Agriculture and Fishery Products</b>	5-1 Recommendation on the improvement of market institutions  5-2 Recommendation on the establishment of basic market information systems

# Figures





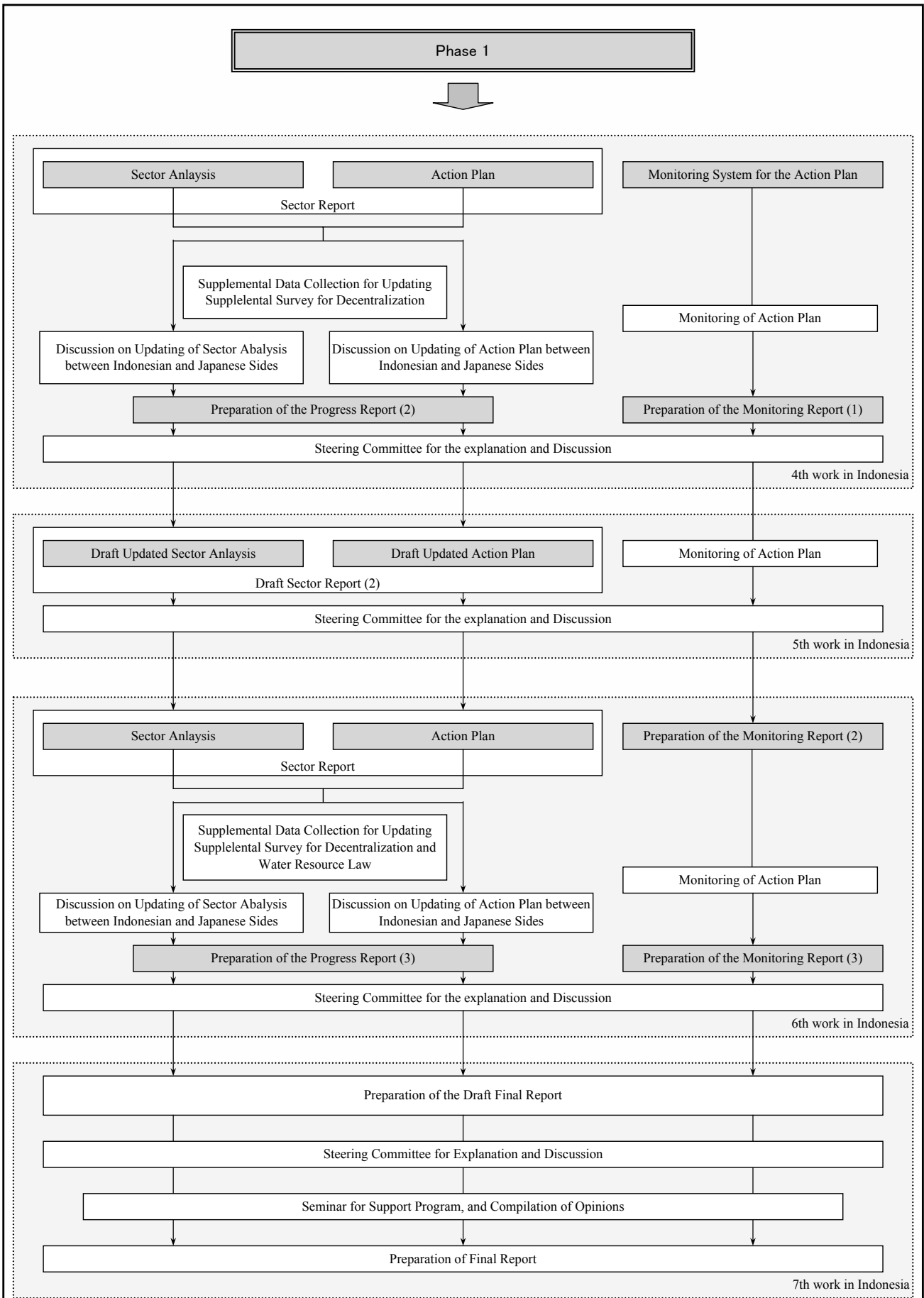


Figure 2.1 (2/2) Conceptual Flow of the Support Program for Agriculture and Fisheries Development (Phase 2)

### Figure 2.2 Updated Action Plan

(as of May 2005)

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	Q4	Q1			
Stable Food Supply and Improvement of Nutrition	Improving Institution and Production Support System	1-01	Institutional Support for Food Security	MOA	TCP	Expert (long & short), Training, Equip.	on going																
		1-02	Advisor on Agriculture Policy and Programme Coordination*1 (Former position is Agriculture Policy Advisor)	MOA	Indiv. Expert	Expert (long term)	on going																
		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	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.	on going																
		1-09	Beef Cattle Development Project Utilizing Local Resources in the Eastern Part of Indonesia	MOA	TCP	Expert (long & short), Equip.	approved, preliminary evaluation for TOR to be planned																
		1-10	Livestock Development Advisor	MOA	Indiv. Expert	Expert (long term)	on going, successor approved																
		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	Grant Aid	Grant Aid	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	Grant Aid	Grant Aid	to be examined																
		1-15	Grant Aid for Increase of Food Production 2KR *2	MOA	Grant Aid	Fertilizer	on going																
	2-01	Project for Empowerment Water Users Associations	PU	TCP	Expert, Training, Equip.	on going																	
	2-02	Water Users Association Strengthening	PU	Indiv. Expert	Expert (long term)	completed																	
	2-03	Irrigation Planning *3 (Irrigation Management)	PU	Indiv. Expert	Expert (long term)	on going, extension approved																	
	2-04	Study on Comprehensive Recovery Program of Irrigation Agriculture	PU	Develop. Study	Study Team	completed																	
	2-05	Way Sekampung Irrigation Project (1)	PU	Loan	Yen Credit	completed																	
	2-06	Way Sekampung Irrigation Project (2)	PU	Loan	Yen Credit	completed																	
	2-07	Billibili Irrigation Project	PU	Loan	Yen Credit	completed																	
	2-08	Way Sekampung Irrigation Project (3)	PU	Loan	Yen Credit	on going																	
	2-09	Small Scale Irrigation Management Project III	PU	Loan	Yen Credit	completed																	
	2-10	Batang Hari Irrigation Project (II)	PU	Loan	Yen Credit	on going																	
	2-11	Project Type Sector Loan for Water Resource Development II	PU	Loan	Yen Credit	on going																	
	2-12	Small Scale Irrigation Management Project IV (Decentralized Irrigation System Improvement Project in Eastern Region of Indonesia)	PU	Loan	Yen Credit	on going																	
	2-13	Water Resources Existing Facilities Rehabilitation and Capacity Improvement Project	PU	Loan	Yen Credit	on going																	
	2-14	Komering Irrigation Project Stage II, Phase 2	PU	Loan	Yen Credit	to be implemented																	
	3-01	Project for the Development and Dissemination of the Fisheries Resource Management	MMAF	TCP	Expert (long & short), Training, Equip.	to be examined																	
	3-02	Fisheries Planning	MMAF	Indiv. Expert	Expert (long term)	on going, successor to be examined																	
	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	on going																	
	3-05	Project for the Promotion of the Sustainable Coastal Fisheries	MMAF	TCP	Expert, Training, Equip.	TCP approved, second preliminary evaluation for TOR under preparation																	
	3-06	Freshwater Aquaculture Development Project	MMAF	TCP	Expert (long & short) Training, Equip.	on going, to be extended																	
	3-07	Rehabilitation and Improvement Project of Jakarta Fishing Port	MMAF	Loan	Yen Credit	to be implemented																	
	Raising Income of Farmers and Fishermen and Vitalization of Rural Economy	Promoting Community-based Economic Activities	4-01	The Study on the Improvement of Farmers' Income: Agricultural Processing and Rural Micro Finance	MOA	Develop. Study	Study Team	to be implemented															
			5-01	Study on Improvement of Institutions and Information Systems for Agriculture Product Market	MOT	Develop. Study	Study Team	completed															
		5-02	Improvement of Management Operational System and Human Resources Capacity of Regional Distribution Centers in Indonesia	MOT	TCP	Expert (long & short), Training	to be examined																

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

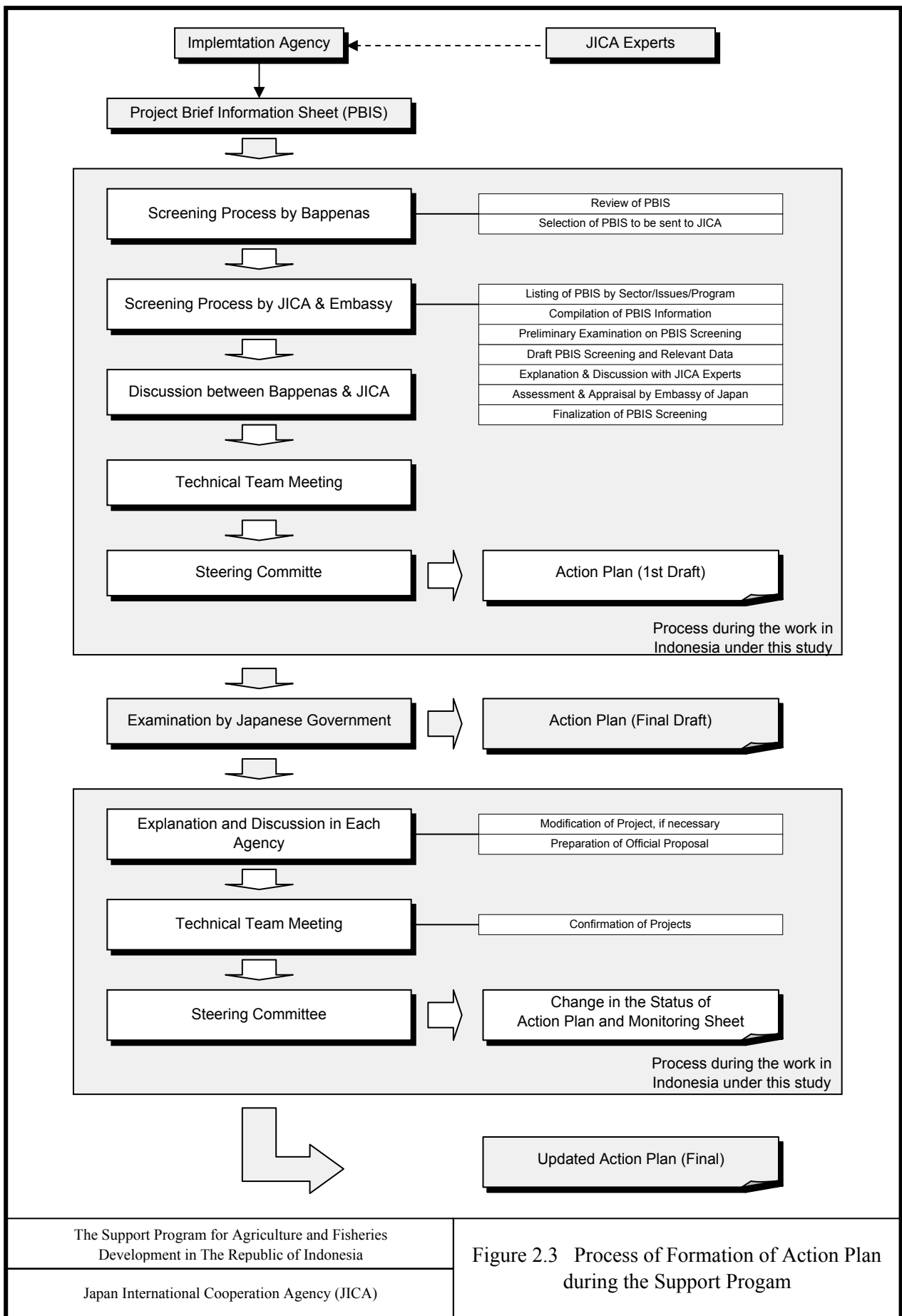
MOA: Ministry of Agriculture, MENKOP: State Ministry of Cooperatives and Small and Medium Enterprises, PU: Ministry of Public Works, MMAF: Ministry of Marine Affairs and Fisheries, MOT: Ministry of Trade

Note: TCP: Technical Cooperation Project SV: Senior Overseas Volunteer

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

\*2: Project name will be changed to "The Grant Assistance for Underprivileged Farmers" toward the implementation for next request.

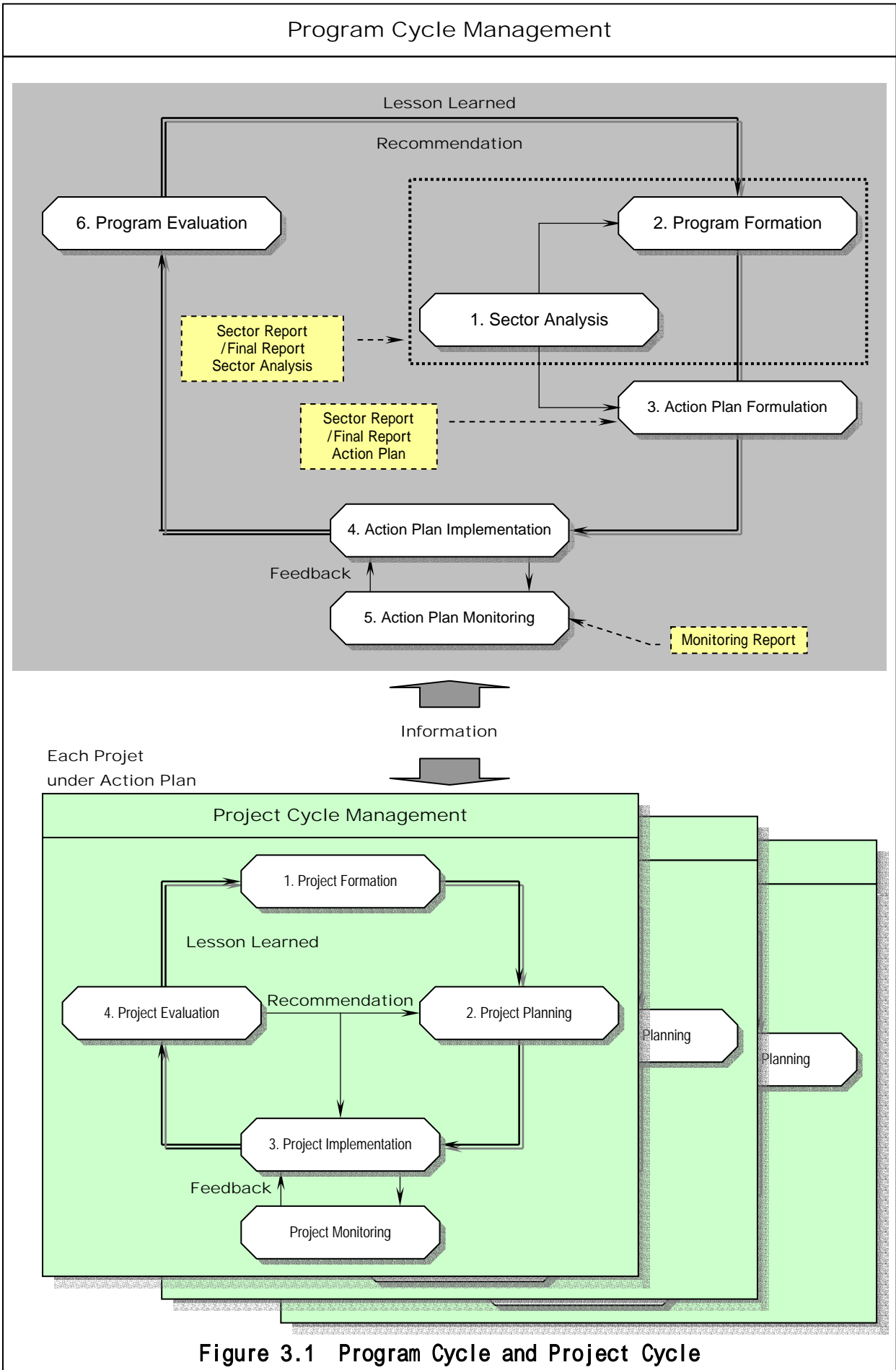
\*3: Activities of the Irrigation Planning (Irrigation management) Expert include a part of TOR for the Project for Empowerment Water Users Association.



The Support Program for Agriculture and Fisheries Development in The Republic of Indonesia

Japan International Cooperation Agency (JICA)

Figure 2.3 Process of Formation of Action Plan during the Support Program



**Figure 3.1 Program Cycle and Project Cycle**

## **Attachments**

Attachment - 1

Opinions about Effective or Improvable Points  
on  
the Whole Activities under the Support Program  
in the Seminar

**JICA SUPPORT PROGRAM  
FOR  
AGRICULTURE AND FISHERIES DEVELOPMENT**

**OPINIONS ABOUT EFFECTIVE OR IMPROVABLE POINTS  
ON  
THE WHOLE ACTIVITIES UNDER THE SUPPORT PROGRAM  
IN THE SEMINAR**

Date : April 21<sup>st</sup>, 2005  
Place : Tiara I, 3<sup>rd</sup> Floor, Crowne Plaza Hotel  
Subject : The whole activities under the Support Program  
Attendance : 51 persons

1. The Support Program made the development approach more integrated than before. This integrated approach should be continued and strengthen after the Support Program.
2. Before the Support Program, the cooperation tent to focus on technical oriented activities. However, after the introduction of the Support Program, the project formulation was shifted to orient policy, marketing and finance.
3. The Support Program improved the preparation and coordination not only among the technical ministries of Government of Indonesia but also among Government of Japan, JBIC and JICA, compared with the situation before. Regarding the coordination, technical ministries could share project information each other and refer it during the Support Program because of the increased opportunity to discuss together among stakeholders.
4. The Support Program identified the subjects to be considered in each sub-sectors. To deal with these subjects, Government of Indonesia needs to create the projects by its own finance and would not rely fully on JICA assistance.
5. The monitoring is essential to check effectiveness, how the projects and programs improve the sector and what can be done to the sector. The lessons learned will enrich and improve coordination between Government of Japan and Government of Indonesia not only in agriculture and fisheries sector but also in other sectors.

## Attachment - 2

### Opinions Raised in the Review Meeting in Japan



**JICA SUPPORT PROGRAM  
FOR  
AGRICULTURE AND FISHERIES DEVELOPMENT**

**OPINIONS RAISED IN THE REVIEW MEETING IN JAPAN**

Date : May 27<sup>th</sup>, 2005  
Place : Meeting Room in JICA Headquarter  
Agenda : Explanation and Discussion on the 7<sup>th</sup> Work in Indonesia and Finalization of Reports  
Attendant : 15 persons

1. Regarding newly requested projects, Indonesian side did not obtained much information on status of approval process in Japan, although the Japanese side made its effort to provide available information. In the Support Program, the Japanese side explained about the screening process and discussion made in Japan, particularly consistency between the direction and project components. Such explanation will improve project formation process and lead better project quality.
2. In future cooperation, establishment of framework becomes more important for not only technology transfer but also utilization of technology. In this regard, coordination of projects will be required from the integrated viewpoint over the technical directorate generals within a ministry and the technical line ministries. For this purpose, it is considered to assign an expert to BAPPENAS for coordination.
3. The Support Programs set the projects with the development direction. Then, sharing information among the stakeholders enables more discussion regarding development of the sector. The Action Plan, listing the projects according to the Cooperation Programs, illustrates interaction between projects and subjects, and indicates future assessment of integrated effects among the projects. For future efficient cooperation, effort will be made to improve the project formation process to create linkage among projects.
4. The estate sub-sector is presently excluded from the Japan's cooperation, however, the estate agriculture in the outer inlands may become one of the measures against the high population pressure and poverty in rural area of the Java island by creating new job opportunity. Therefore it is requested for JICA to examine the possibility to include this sub-sector in the cooperation. Regarding marketing, the Sector Analysis has not much description on rural traders, but many small-scale traders are working with farmers as service providers in marketing of agriculture and fisheries products. Therefore, it is necessary to clarify their role for development of rural marketing.
5. The Support Program covered only the agricultural and fisheries sector, and future cooperation requires coordination with other sectors. Decentralization will increase the projects to be implemented by the local government. The projects covering multi-sectors are difficult to implement under the central government due to coordination of many stakeholders in various implementation agencies, however, this kind of projects may be implemented under initiative of the local government. In this regard, it is important to conduct capacity building of the province and district.
6. The Support Program introduced the program approach for the agriculture and fisheries sector through employing the consultants team. Although the consultants team was not able to attend screening and approval of projects directly, they have well communicated with stakeholders through utilizing technical know-how in many cases.