

COCONUT AGRIBUSINESS DEVELOPMENT STRATEGY IN SOUTH HALMAHERA DISTRICT

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Abstract

This research will be carried out in 2021. The selection of research sites is carried out purposively, namely the selection of locations with certain considerations. Halmahera Regency is divided into 30 sub-districts with 249 villages, while the research locations were selected in 2 sub-districts, namely those that produce the most coconut agricultural products in South Halmahera Regency. The sub-districts selected as research locations were the Middle East Bacan District, 7 villages (Biunoy Villages, Tawa, Songa, Tabapoma, Tutupa Tomara and Wayatim Villages), and the South East Bacan Districts, 7 villages (Wayaua Village, Silang, Liaro, Pigaraja, Wayakuba, Tabangame and Tabajaya Village). The Bacan District of Middle East is the center of the region with the largest amount of copra coconut land, Likewise, the South East Bacan District is the largest copra producing sub-district in South Halmahera Regency. Determination of the location of this study was done by purposive {deliberate}, in this study the source of information used during the research process was obtained from the actors (actors) respondents. The data analysis is a SWOT analysis. Development of coconut plantation area; 2) Increasing the supply of superior coconut seeds from the government; 3) Optimizing natural resources properly as a partnership for the marketing industry; and 4) Increasing cooperation between farmers, government and middlemen (middlemen) to retailers in overcoming price volatility. South Halmahera Regency has various potentials of human resources and abundant natural resources which are also strengthened by commitment local government in various agricultural sector programs that have been carried out with the aim of advancing farming communities and regions.

Keywords: Agribusiness Development, Coconut Plants, South Halmahera

Introduction

Various challenges faced in economic development in the era of regional autonomy, both from internal and external factors. The problem of inequality and the issue of globalization has implications for the acceleration of regional economic development in a focused manner through the development of the region and its flagship products. The current regional development paradigm needs to pay attention to the specificity of the region that can increase the potential of the region (Daryanto, 2004). Regional economic development efforts have the main objective of increasing the number and types of job opportunities by utilizing existing

resources (Harini et al., 2005; Sulaiman, 2006; Sulaiman, 2006). The agricultural sector is a sector that plays an important role in the Indonesian economy. Plantation as an integral part of the agricultural sector is a sub-sector that has an important and strategic role in national development. Its role is evident in the country's foreign exchange earnings through exports, providing employment, meeting domestic consumption needs, raw materials for various domestic industries, obtaining added value and competitiveness as well as optimizing the management of natural resources in a sustainable manner. The role of the plantation sub-sector for the national economy is reflected in the cumulative GDP value of plantations. acquisition of added value and competitiveness as well as optimization of sustainable natural resource management. The role of the plantation sub-sector for the national economy is reflected in the cumulative GDP value of plantations. acquisition of added value and competitiveness as well as optimization of sustainable natural resource management. The role of the plantation sub-sector for the national economy is reflected in the cumulative GDP value of plantations.

Coconut is a tropical plant that has long been known to the people of Indonesia. This can be seen from the spread of coconut plants in almost all regions of the archipelago, namely in Sumatra with an area of 1.20 million ha (33.8%), Java 0.903 million ha (22.4%), Sulawesi 0.716 million ha (22.1%), Bali, NTB and NTT 0.305 million ha (5.9%), Maluku and Papua 0.289 million ha (9%), and Kalimantan 0.277 million ha (6.8%). Coconut is a plantation crop with the largest area in Indonesia, wider than rubber and oil palm, and ranks at the top for cultivated crops after rice, (Journal of Prospects and directions for coconut agribusiness development, BPPP Ministry of Agriculture, 2007)

The benefits of coconut plants lie not only in the flesh of the fruit which can be processed into coconut milk, copra, and coconut oil, but all parts of the coconut plant have great benefits. The average Indonesian coconut production from smallholder plantations in the period 2000–2005 was 3,036,759 tons per year, while the average production from the predictions for 2006–2009 was 3,187,695 tons, or an increase of about 5 percent. Recently, the need for coconut seeds, coconut water and coconut shell charcoal has increased again, along with population growth. It is estimated that in the future the need for this commodity will increase, considering that the lifestyle of the Indonesian people is difficult to separate from

coconut and its processed products. Thus the coconut commodity is expected to help alleviate poverty in the region and can encourage the development of agro-industry and the development of the territory of Indonesia which has great potential in the development of coconut commodities. However, efforts to develop coconut commodities are faced with various obstacles, including:

1. Productivity is still low (below normal), because many coconuts are over 20 years old, and cultivated with random seeds,
2. Low funding, especially for plantations,
3. Development policies that do not support the plantation sector, and
4. The downstream industry is not yet developed, so most of the products are sold in the form of primary products.

South Halmahera Regency, which was used as the research location, has the largest plantation area is coconut, with an area of 51,442.59 Ha with the main commodities are; (1). Coconut area: 29,744.3 Ha with production of 23,344 tons/year, productivity of 1,000 kg/Ha in the form of copra, (2). Cocoa : 4,120 Ha with a production of 2,195 tons/year with a productivity of 945 kg/Ha in the form of dry beans, (3). Cloves: 4,038.5 Ha, plant production yields 724 tons/year with a productivity of 268 kg/Ha in the form of dried flowers, (4). Nutmeg has an area of 8,079 ha and a production of 521 tons/year with a productivity of 249 kg/ha in the form of seeds, (5). Palm Oil Plantation covering an area of 5,460.79 Ha from the Details of 8,000 Ha with the number of seeds of 737,212 tillers, the contribution to the absorption of the workforce is currently 664 people from the planned 1,800 people. (Department of Agriculture and Food Security, South Halmahera Regency, 2017)

Coconut agribusiness development is one of the steps needed as a plantation sub-sector development activity in the context of revitalizing the agricultural sector. The prospect of Coconut Development is largely determined by the existence of economic policies that favor the people, in order to encourage the realization of people's welfare. It is believed that the development of smallholder plantations will not only improve the welfare of the people, it can even increase the country's foreign exchange, employment both in the upstream industrial sector, namely the plantation itself and its downstream industry. Coconut commodity is different from other commodity plantations, because it requires a factory close to the farmer, so that the fruit produced by the farmer can be immediately sent to the factory (within \pm 24 hours) so that the quality of the oil does not contain high fatty acids (Mubyarto et al, 1989).

Method

This research will be carried out in 2021. The selection of research sites is carried out purposively, namely the selection of locations with certain considerations. Halmahera Regency is divided into 30 sub-districts with 249 villages, while the research locations were selected in 2 sub-districts, namely those that produce the most coconut agricultural products

in South Halmahera Regency. The sub-districts selected as research locations were the Middle East Bacan District, 7 villages (Biunoy Villages, Tawa, Songa, Tabapoma, Tutupa Tomara and Wayatim Villages), and the South East Bacan Districts, 7 villages (Wayaua Village, Silang, Liaro, Pigaraja, Wayakuba, Tabangame and Tabajaya Village). The Bacan District of Middle East is the center of the region with the largest amount of copra coconut land, Likewise, the South East Bacan District is the largest copra producing sub-district in South Halmahera Regency. Determination of the location of this study was done by purposive {deliberate}, in this study the source of information used during the research process was obtained from the actors (actors) respondents. The data analysis is a SWOT analysis.

Respondents used to formulate SWOT come from 3 groups, namely producers and suppliers, consumers, and government agencies. The respondents of producers and suppliers are farmers and middlemen or inter-island traders as many as 5 people each, so that the respondents from producers and suppliers are 5 people. In consumer respondents, namely community industry players each as many as 5 people. The respondents in government agencies, Bappelitbangda, the Department of Agriculture and Food Security, the Department of Industry and Trade, and each respondent were 2 people.

2) Giving weights to the IFE and EFE . matrices

List of strengths, weaknesses, opportunities and threats that have been obtained and then weighted. The weighting is used to determine the level of importance of the factors in fulfilling the main goal, namely increasing coconut production in South Halmahera Regency. Determination of factor weights is carried out using the paired comparison method. The weighting of each factor used a Likert scale, namely 1, 2, and 3. Where the explanation of the scales 1, 2, and 3 is as follows.

Scale 1: If the external or internal factors in the row/horizontal are less important than the external and internal strategic factors in the column/vertical

Scale 2: If external and internal strategic factors in row/horizontal are as important as external and internal strategic factors in column/vertical

Scale 3: If the external and internal strategic factors in the same row/horizontal are more important than external and internal strategic factors in the vertical/column form, the assessment of the strategic factor weights can be seen in Table 1

Table 1 Internal/External Strategy Weight Assessment

Defining factor	A	B	C	D	...	N	Total	Weight
A							X1	A1
B							X2	A2

C							X3	A3
D							X4	A4
...						
N							Xn	An
Total							Xtotal	1.00

$$a_i = \frac{X_i}{\sum_{i=1}^m X_i}$$

Information :

a_i =i-th variable weight

X_i =i-th variable value

i = 1,2,3,.....,m

m =number of variables

The weights obtained will be in the range between 0.0 (not important) to 1.0 (most important) on each factor, regardless of whether the factors, key strengths or weaknesses as well as opportunities and threats. The sum of all the weights given must equal 1.0.

3) Ratingrating on the IFE and EFE matriks matrices

After determining the weight of the importance of the factor, it will be continued by giving a rating. Determination of the rating shows the level of effectiveness of the strategy in an effort to achieve the main goal, namely increasing coconut production in South Halmahera Regency. In giving this rating an assessment indicator is used as shown in Table 2.

Table 2. IFE and EFE matriks matrix scoring weights

IFE Matrix	EFE Matrix
1 = Major Weaknesses	1 = below average
2 = Minor Weakness	2 = Average
3 = Small Strength	3 = above average
4 = Ultimate Strength	4 = very good

4) Scoring and determining the total weighted average

The next step is to multiply the value of the factor weight with the rating value to determine the weighted average for each variable. The weighted average that has been

obtained will then be added up for each variable to determine the total weighted average. The weighted average internal total below 2.5 represents a weak position while above 2.5 indicates a strong position. The total external weighted value of 4.0 indicates that the object responds very well to the opportunities and threats that exist in its industry, while 1.0 indicates that the object's strategy does not take advantage of opportunities or does not avoid threats. The IFE matrix framework can be seen in Table 4.4. and the framework of the EFE matrix can be seen in Table 3.

Table 3. IFE Matrix Framework

Main Internal Factors	Weight (1)	Rating (2)	Weighted Average (3)=(1)x(2)
Internal Strength:			
1.			
2.			
...			
N			
Internal Weaknesses:			
1.			
2.			
...			
N			
Total	1.0		

Source: David, 2009

Table 4.. EFE Matrix Framework

Key External Factors	Weight (1)	Rating (2)	Weighted Average (3)=(1)x(2)
Internal Strength:			
1.			
2.			
...			
N			
Threat :			
1.			
2.			
...			
N			
Total	1.0		

Source: David, 2009

From the measurement results obtained in the IFE and EFE matrices, the IFE and EFE scores are then mapped into the IE matrix. Where the IFE score as the X axis and the EFE score as the Y axis in the IF matrix. The IE matrix is used to see the position of coconut production in South Halmahera Regency and what kind of strategy needs to be done to achieve the goal of increasing production.coconut. The type of strategy that is in accordance

with the position of coconut farming in South Halmahera Regency based on the IE matrix is used as the basis for further research methods both on system dynamics and Analytical Hierarchy Process (AHP). The IE matrix image can be seen in Figure 4.3.

Figure 1. Internal-External (IE) Matrix Example (David, 2009)

		IFE Score Weight		
		Strong	Average	Weak
EFE Score Weight	Tall	4.0 I	3.0 II	2.0 III
	Currently	3.0 IV	2.0 V	1.0 VI
	Low	2.0 VII	1.0 VIII	1.0 XI

Figure 1. example of internal-External (IE) matrix (David, 2009)

Conclusion

Development of coconut plantation area; 2) Increasing the supply of superior coconut seeds from the government; 3) Optimizing natural resources properly as a partnership for the marketing industry; and 4) Increasing cooperation between farmers, government and middlemen (middlemen) to retailers in overcoming price volatility. South Halmahera Regency has various potentials of human resources and abundant natural resources which are also strengthened by commitment local government in various agricultural sector programs that have been carried out with the aim of advancing farming communities and regions. The success of increasing the production of coconut commodities in the sub-district or in the village is based on the integration and coordination of internal and external forces, participation, negotiation and cooperation among key actors to encourage increased coconut production through the maximum function and role of farmer institutions. The existence of vast land potential, the provision of free and superior coconut seeds, the ability to produce coconuts above the average, and institutional cooperation between farmers, government,

traders/retailers that support, can seize opportunities for increasing demand for coconut. Increased crop yields with intensification/extensification of agricultural land, has the potential to be further developed. With the majority of the population as farmers with a high level of farming experience, it will be quite good in increasing the production capacity of farmers. The increase in production capacity also affects the quantity of production output. The increasing market demand for coconut, can only be done with the ability of coconut stocks that match or exceed the needs.

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