THE GOVERNMENT OF BANYUMAS REGENCY’S POLICY IN THE DEVELOPMENT OF COCONUT SUGAR INDUSTRIES

National Workshop
Development of Coconut and Palm Sugar
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GENERAL OVERVIEW OF BANYUMAS REGENCY

TERRITORY
132.759 Ha (1.327,59 Km$^2$)

GOVERNMENT ADMINISTRATION
27 Districts
• 331 villages/political districts
  – 301 villages
  – 30 political districts

POPULATION
(DINDUKCAPIL’s data in 2014)
1. Male 1.001.671 Lives
2. Female 985.064 Lives
Total 1.986.735 Lives

Borderline
North: Tegal Regency, Pemalang Regency
East: Purbalingga Regency, Banjarnegara Regency, Kebumen Regency
West: Cilacap Regency, Brebes Regency
South: Cilacap Regency
OVERVIEW OF MEDIUM-SCALE INDUSTRIES IN BANYUMAS REGENCY

1. Medium-scale Industries of Agro, Chemical, and Forest Products
   - Coconut Sugar
   - Essential oil
   - Tapioca flour
   - GetukGoreng
   - Tofu
   - Dairy
   - Wooden Furniture
   - Bio Ethanol
   - Organic Fertilizer
   - Tempe
   - Klanting
   - Soy sauce
   - Crackers
   - Chips
   - Food Industries
   - Noodles
   - Bandeng Presto
   - Rubber
   - Tea
   - Bamboo Furniture
   - Wood Processing
2. MEDIUM-SCALE INDUSTRIES OF METAL AND ELECTRONICS
- Jewellery
- Blacksmith
- Metallurgy
- Electronics
- Spare Part Component
- Brass Craft

3. MEDIUM-SCALE INDUSTRIES OF HANDICRAFT AND MISCELLANEOUS
- Roof tile
- Bamboo craft
- Pottery
- Batik
- Sandal Bandol Craft
- Embroidery
- Asmat Tile Craft
- Reptile skin Craft
- Educational Props Craft
COCONUT SUGAR INDUSTRIES PROFILE
OVERVIEW OF BANYUMAS COCONUT SUGAR

- One of the top products in Banyumas regency other than essential oil and batik;
- Has been assigned as The Competence of Main Local Industries (study of Ministry of Industry, year 2013);
- Give a high contribution in local economic development.
Potential of Coconut Sugar Industries

Statistic:

Coconut plants in Banyumas

- Amount of plants: 2,244,379 trees, large area: 17,955,032 Ha
- Virgin Coconut: 643,832 trees, large area: 5,150,656 Ha
- Prolific Coconut: 421,326 trees, large area: 3,370,608 Ha
- Old Virgin Coconut: 222,506 trees, large area: 1,780,048 Ha
- Fruit Coconut: 1,157,000 trees, large area: 9,256 Ha
- Old Fruit Coconut: 250,279 trees, large area: 2,002,232 Ha
- Prolific fruit coconut: 906,721 trees, large area: 7,253,768 Ha
- Immature Coconut: 443,547 trees, large area: 3,548,376 Ha

Sumber: Dinpertanbunhut Kab. Banyumas 2014
POTENTIAL OF COCONUT SUGAR INDUSTRIES

Statistic:

Production of molded sugar coconut

- Coconut sugar farmer: 27,112 KK
- Labor: ± 90,000 persons
- Home industries: 31,425 units
- Group/cluster Sugar coconut: 298 groups
- Sugar coconut production
  - 2011: 4,946.96 tons/month
  - 2012: 5,258.53 tons/month
  - 2013: 6,009.09 tons/month
  - 2014: 7,679.13 tons/month

Produksi Gula Kelapa Kristal

- Organic crystal sugar farmer: 3,100 units
- Production of organic crystal sugar coconut: 8,488,800 kg/year
- Natural crystal sugar farmer: 4,579 units
- Production of natural crystal sugar coconut: 13,187,520 kg/year
CENTER OF COCONUT SUGAR

PEKUNCEN DISTRICTS
- Farmers: 1,869 orang
- Production: 14,551 Kg/Hari

AJIBARANG DISTRICTS
- Farmers: 2,097 orang
- Production: 14,643 Kg/Hari

Cl Farmer LONGOK
- Farmers: 6,512 orang
- Production: 48,964 Kg/Hari

WANGON DISTRICTS
- Penderes: 1,884 orang
- Production: 13,494 Kg/Hari

KEBASEN DISTRICTS
- Farmers: 965 orang
- Production: 5,272 Kg/Hari

SOMAGEDE DISTRICTS
- Farmers: 1,880 orang
- Production: 10,109 Kg/Hari

KEMRANJEN DISTRICTS
- Farmers: 1,670 orang
- Production: 5,460 Kg/Hari
1. PRODUK QUALITY

- Still found any non-standard products, less clean (no filtering process), mixed with chemicals (NatriumBisulfit) and mixed with other materials (gaplek, rice, etc).

2. HUMAN RESOURCES

- Some farmers have a low education level, poor entrepreneurship and less discipline and unmotivated to make efforts

3. TOOL/ TECNOLOGY

- Some tools are still traditional, obsolete, and uncompleted and the size is not according to necessary
4. CAPITAL
   - Some farmers are low economy level and lack of information about capital access.

5. MARKETING
   - Some units that produce are nonstandard with market demand.

6. CLUSTER
   - Recently applied in some places (not entirety).

7. LIMITED DEVELOPMENT FUNDS
   - Allocation of APBD still be prioritized for obligatory (infrastructure, education and health)
1. Need an accompaniment that more intense to increase the farmers’ capacity or Medium-scale Industries in order to produce a good quality product (clean, hygienic, more lasting and standardized quality)

2. Need support to fix the production tools that guarantee the quality.

3. Coconut sugar commerce that has a long chain, so that need much financial support.

4. Benefit of product that less known extensively, so that need more intense promotion and campaign.
1. Increasing the quality of sugar products;
2. Rejuvenation of coconut trees;
3. Developing farmers and medium-scale industries of coconut sugar;
4. Enhance the production facilities and infrastructure
5. Facilitate the capital
6. Build cluster of FEDEP(forum for economic development and employment promotion) coconut sugar
7. Forward market sale agro commodity (coconut sugar)

Barlingmascakeb
8. Provision of accident compensation to coconut sugar farmers who have farmers card: dead @Rp 5.000.000  disabilty @Rp 10.000.000


11. Build the centre of coconut sugar marketing in Prathista Harsa

12. Cooperate with private BUMN/ BUMD with CSR/PKBL programs and build a PKBL/CSR communication forum.
1. Strengthen the medium-scale industries of coconut sugar
2. Training, accompaniment strengthen the group
3. Establishment of development center of medium-scale industries
4. Forming the medium-scale industries of coconut sugar cluster
5. Application of medium-scale industries main cluster
6. Forming the cluster service unit each district
7. Application of efficient technology
8. Strengthen the marketing network
9. Form a trading house especially for coconut sugar products
10. Product diversification
11. Giving the farmer card (already printed 22,013 cards/in 2015)
12. Legality (legal protection) related to development of medium-scale industries of coconut sugar
13. Application of plan and strategy medium-scale industries of coconut sugar program with approaches of cluster and OVOP (rule of regent no.518.9/978 year 2011 on arrangement of one village one local product each village/political district in Banyumas regency and instruction of central java governor no. 518/23546 year 2011 on development of central java rural areas local product through approaches of OVOP).
ASPECTS OF RAW MATERIALS

1. Good quality coconut seed accommodation for trees rejuvenation;
2. Support the application of GAP (Good Agricultural Practices) and organic standard in coconut plant cultivation
Enhancement of farmer’s competence and medium-scale industries of coconut sugar through:

1. Training about coconut plant cultivation and technical training production of coconut sugar;
2. Training about small business management;
3. Entrepreneurship training;
4. Marketing training, etc
Enhance the production facilities and infrastructure through:

1. Provision of production tools;
2. Establish the clean and health kitchen (Kemenperin’s facilities)
   a. In 2015, total 500 clean kitchen
   b. In 2016, total 1,000 clean kitchen

Enhancement of crystal coconut sugar production technology by application of crystal sugar production machine (extract powder) – planned in 2015

Support the product standardize by application of SNI, GMP, HACCP,
1. In 2015, 2 medium-scale industries was certified by HACCP
2. In 2015, 3 medium-scale industries was certified by SNI

Support the diversification of coconut sugar products through:
1. Molded coconut sugar products;
2. Crystal coconut sugar products (original, ginger flavor, and the other flavor).
Diversification of Coconut Sugar Products

- Molded coconut sugar
- Original crystal coconut sugar
- Crystal coconut sugar ginger flavor
- Crystal coconut sugar combination
ASPECTS OF CAPITAL

Capital facilities for farmers and medium-scale industries of coconut sugar through:

1. Accommodation of savings and loan for women (PNPM)
2. Capital accommodation with low interest through rolling fund
3. Facilitate the Loan into banking (KUR) and other institution through CSR program

ASPECTS OF INSTITUTIONAL

- forming the coconut sugar cluster that involving some stakeholders in the coconut sugar industries;
- strengthen the institutional of coconut sugar industries in legality aspects;
- strengthen the cooperation network among the stakeholders in coconut sugar industries in industry cluster structure;
Facilitate the offline marketing through:
1. Product promotion in PrathistaHarsa Culinary Center;
2. National, province, and town/districts level fair;
3. International fair in Netherland in October, 2015

Facilitate the online marketing through
www.gulakristalbanyumas.com
Distribution of dwarf coconut seed accommodation for coconut trees rejuvenation with 85,000 seeds in 2013 and 100,000 seeds in 2014;

Application of organic standard in coconut plant cultivation:
- Until 2014, 1,970 farmers has accepted the organic certificate
- In 2015, 3,100 medium-scale industries are in process of organic certification
Quality and quantity improvement of coconut sugar
The increase of efficient technology application to produce the crystal coconut sugar
In 2015, coconut sugar extract powder machine will be provided as much as 8 units

ASPECTS OF HUMAN RESOURCES

Improvement of comfort and work motivation on farmers (safety and health work insurance)
Improvement of human resources competence in medium-scale industries of coconut sugar
Improvement of medium-scale industries of coconut sugar welfare
Expansion of coconut sugar marketing area

Domestic marketing:
- Direct and retail consumer
- Raw materials of food and drink industries (Kecap Indofood, KecapBangau, KecapHenz ABC and local soy sauce industries in Central and east Java)
- Marketing area covered: Jakarta, Bandung, Cirebon, Semarang, Surabaya, Tuban, Kalimantan, Jogja, Kudus, etc

Foreign marketing:
- Through third party (P3R, CV Inagro, UD Ngudi Lestari, UD Kali Mengaji, etc)
- Directly (PT. Coco Sugar Indonesia)
ASPECTS OF MARKETING

- Improvement of Export volume (1,000 to 2,000 tons/month for palm sugar)
- Stability of coconut sugar price especially palm sugar: Rp. 13,000/kg (wet) up to Rp. 15,000/kg (dry) in farmers level/medium-scale industries of coconut sugar. For molded coconut sugar, the price reaches Rp. 10,700/kg

ASPECTS OF INSTITUTIONAL

- Coconut sugar cluster has built next essential oil cluster, gurame cluster and tourism cluster;
- There are 2 coconut sugar cooperative:
  1. NiraSatria Cooperative;
  2. Ngudi Lestari Cooperative;
Matur Nuwun ...
(Thank you ...) Klilaan.....