Third Party Evaluator's Opinion on Integrated Horticultural Development in Upland Areas Project

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Relevance

This project is indeed relevant for the agricultural sector in a vast country such as Indonesia, especially for fruit products not having reached an economic scale. However, for export commodities, fruits should be chosen and prepared as competitive products according to the standards of target countries.

The basic infrastructures for seed supplies and other inputs remain needing attention at the preparation stage. This project has developed 21,730 hectare of land, or approximately 4% of the national figure. Hence, the project is significant to set eight competitive commodities to be focused on under a crop improvement program in districts producing such commodities. At present, results from the fruit planting have not shown any direct improvement relating to the quality and post harvesting of the fruits due to premature planting. However, some of the products have shown some positive results under the project.

Impacts

This project has given a positive impact on Indonesian farmers, namely in providing a future basis for export-oriented fruit production. The management of fruit plantation in Indonesia requires an agribusiness basis to support the plantation system. This may generate on-farm incomes higher than off-farm incomes in the agricultural sector. Therefore, farmers may obtain higher profits than traders obtain and sell raw products without needing added values. The traders are the ones to increase the added values of the products and directly deal with customers. Based on a macro perspective, this project may provide valuable ideas to Indonesian farmers in enhancing the quality of their fruits during the planting and producing processes and in entering the international market that has a certified quality standard for fruits. At times in the past, Indonesia has experienced rejections for not having been able to meet the certified standards for fruit products. However, due to the progress of this project, some of the competitive products have demonstrated positive results.

Sustainability

Integrated horticultural development has applied a corporate farming approach in order that farmers can directly organize themselves. However, technical skills cannot prevail separately. Farmers should develop their managerial and marketing skills as well as develop researches to be able to handle their products independently. The government should play their role as a regulator, facilitator, and supporter for public infrastructures in order that obstacles existing will not burden the farmers and further influence their products. The private sector may become the partner of the farmers in agribusinesses, the supporter for modernizing researches and development, as well as collaborating with Universities in providing several exhibitions, periodicals, and other pieces of information focusing on fruits.

The concerning fruit producing districts have sold products that have been competitive with other imported products. An international agreement would be required by every country producing an export-oriented fruit product for entering another country. Although the concerning export-oriented fruit has only reached 10 - 20% of the quota meeting standards, such agreement may give hope for farmers in developing a competitive fruit plantation under a same brand.