



INDONESIA AGRICULTURAL MECHANIZATION STRATEGY

IAARD, MINISTRY OF AGRICULTURE

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STRATEGIC ROLE OF INDONESIA AGRICULTURAL

Provide food for 245 mil. people

Provide 87% of raw material for small and medium scale industry

Contribute 14,7% of PDB



Foreign exchange income (US\$ 43,37 M)

Provide 28,3% employment

70% source of income for rural people



TARGET OF INDONESIA AGRICULTURE DEVELOPMENT



ACIEVING SUSTAINABLE FOOD SELF SUFFICIENCY



INCREASING FOOD DEVERSIFICATION



INCREASING ADDED VALUE, COMPETITIVENESS AND EXPORT



INCREASING FARMER WELFARE

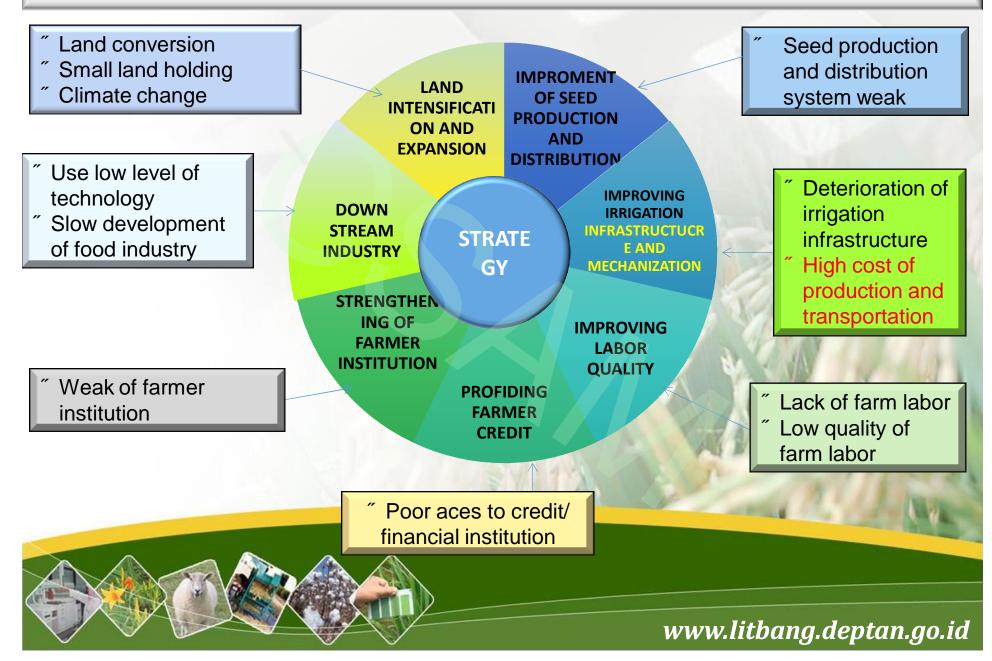


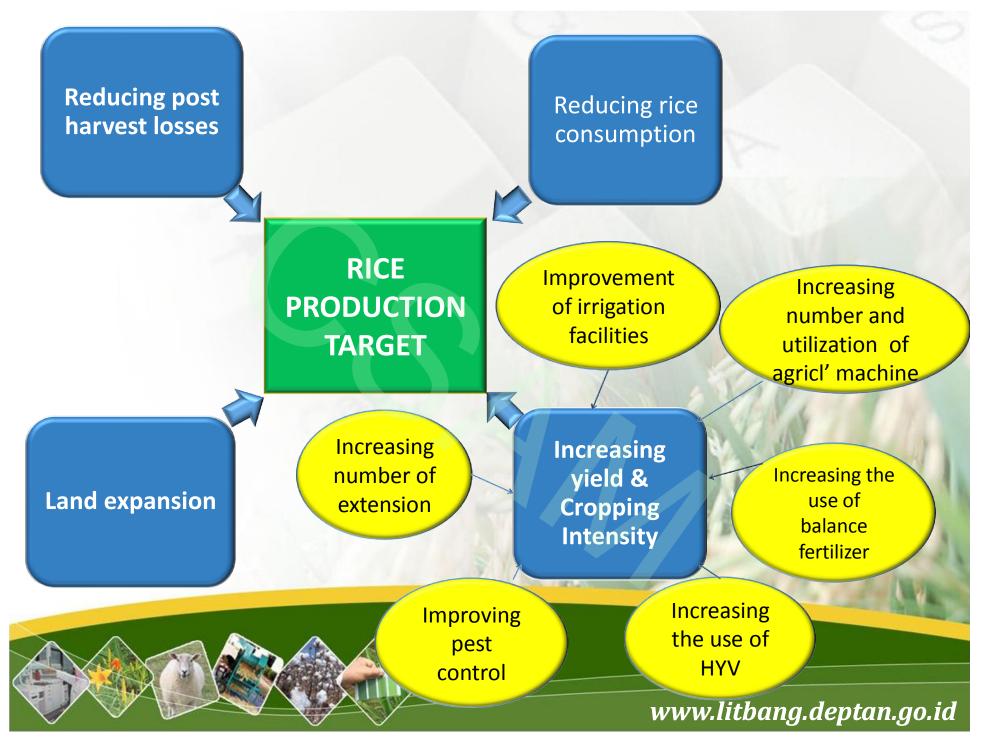
TARGET OF PRODUCTION FOR 5 MAIN FOOD COMMODITY

COMMODITY	TARGET OF PRODUCTION 2014 (Million ton)
Rough rice	76,57
Maize	29,00
Soybean	2,70
Sugar cane	3,1
Beef meat	0,51



PROBLEM AND STRATEGY OF AGRICULTURE DEVELOPMENT2010-2014







- Contributing target of production through:
 - . Increasing cropping intensity
 - . Reducing post harvest losses
- " Improving quality of product
- Increasing added value and competitiveness of agricultural products
- Reducing cost of production by increasing labor efficiency
- " Increasing farmers' income
- Attracting young generation work in agricultural sector



Mechanization Utilization Index for Rice Production in Indonesia (%)

Activity	Year			
	2004	2009	2010	2011
Land preparation	48	55	60	65
Seeding	0	1	2	4
Planting	04	5	6	7
Weeding	02	5	8	12
Pest control	100	100	100	100
Harvesting	5	10	18	26
Threshing	45	55	60	65
Drying	25	30	34	38
Milling	100	100	100	100

Source: ICAERD, 2009



Number of Agric. Machinery used in Indonesia.

NO	Type of Agric. Machinery	2006 (Unit)	2010 (Unit)
1	Pump irrigation	185.322	187.801
2	Tractor 2-wheels	116.016	126.453
3	Tractor 4-wheels	2.853	2.969
4	Thresher (manual)	150.224	151.284
5	Power thresher	41.192	49.957
	Box Dryer	1.416	1.436
6	Continuous Dryer	1.388	1.421
7	Mini RMU	58.512	68.386
8	Stationer RMU	39.267	40.495

Sources: BPS-Statistics Indonesia, 2007; dan Direktorat Alsintan, 2010)

Agric. Mechanization Development Problems & Constraints

- Poor skill of operator for operation, maintenance and management of agric. machinery
- Poor capability of farmer institution (Business Service Unit of Agril' Macinery)
- Lack number of extension worker
- ➡ High cost of farm machineriy & equipments and difficult to access credit
- ▶ Lack of machinery suitable for specific agro ecosystem → Need R&D
- Short life time of agricultural machinery
- Poor farm road facility,
- Poor irrigation and drainage facility





Strategy of Agricultural Mechanization Development

- Agricultural machinery grand and loan from Government to FARMER GROUPS
- Improving access to credit/ bank (credit for rural business/ KUR)
- Strengthening Agricultural Machinery Business Service Unit
- Training for agricultural machinery operator
- Establishing demonstration plot of farming using agricultural machinery
- Capacity building for extension worker
- Establishment of mechanization center at provincial and district level
- Strengthening R & D on agricultural engineering
- Strengthening partnership between R&D, agricultural machinery industry /trader and user/farmer





Closure

- Although utilization index of agricultural machinery in Indonesia is low, Agricultural machinery have been used widely and significantly increased yield and quality of agricultural product
- Indonesia strategy to develop mechanization has been set up to increase crop production, quality and added value of agricultural product.
- Synergy between Government, Research Institution, University, Business, Industry is essentially needed to support the development of mechanization in Indonesian



