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PREPARATION of PALM OIL FARMERS IN ISPO APPLICATION IN REGENCY INDRAGIRI HILIR-RIAU

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Abstract:

This study aims to identify and analyze the readiness of Inhil district self-help farmers in the implementation of ISPO. Data analysis is conducted by quantitative descriptive analysis by comparing the implementation of legality, organization and management, management and monitoring of environment applied by self-help farmers, whether it is in accordance with the principles, criteria and indicators ISPO. Readiness of ISPO implementation on peasant farmers by assessing four principles, 20 criteria and 47 indicators. Of the 47 indicators set on the ISPO self-help pattern, as many as 48.94% indicator ISPO has never run self-help farmers and 51.06% indicator ISPO existing farmers who run it. From the ISPO indicator that has been run by self-help farmers, it is run by only a small number of self-help farmers, of which all indicators are run only by 10% to 19.15%.

Keywords: ISPO, Palm Oil, People.

1. INTRODUCTION

Palm oil is one of the leading commodities in Indonesia, where oil palm has a dual function, in addition to having a relatively high economic function, is also able to improve social and ecological functions. The double function of oil palm, which makes Indonesia dominate the world palm oil market, less accompanied by good management of oil palm plantation management or management of Indonesian palm oil plantation has not been ideal, resulting in many allegations, especially foreign institutions to the Indonesian oil palm plantation sector. This accusation can be said or back grounded, because Indonesia is currently the main country producing palm oil commodity, the success of Indonesia became the main producer of palm oil, a natural thing if faced with challenges, where various negative issues raised non- , to Indonesian palm oil (Sucipto, 2011).

The Government of Indonesia through the Ministry of Agriculture, mitigating these negative allegations by granting certificates of Indonesia Sustainable Palm Oil (ISPO) to the palm oil business / actors in Indonesia, ISPO is expected to avoid and reduce the impact of environmental destruction, greenhouse gas emissions, to drivers of deforestation convey foreign institutions). Although internationally renewed, there are already Roundtable Sustainable Palm Oil (RSPO), but Indonesia establishes ISPO, because RSPO international certification is voluntary, to meet market demand. ISPO is mandatory or mandatory and there will be sanctions for companies that do not / have ISPO certification.

In Indonesia there are three patterns of oil palm plantation management namely companies, plasma and self-help. People is a pattern of oil palm plantation development conducted by farmers themselves, ranging from land clearing, planting, maintenance, harvest marketing results without going through a business partnership. The self-management scheme is the most extensive land area of the three existing oil palm plantations in Indonesia, and the self-help garden is experiencing continuous improvement. Increased land area of self-supporting pattern is not balanced with productivity improvement, where productivity of self-help pattern is lower than big company, productivity of self-supporting pattern is only about 2.5 to 3 tons per hectare, while private plantation is about 3.5 to 4 tons per hectare (Komisi ISPO, 2014).

Indragiri Hilir Regency is similar to the conditions in Indonesia generally, where there are also three patterns of palm oil plantation management. The width of the land management pattern of the people, is also the widest of the two other patterns. Indragiri Hilir downstream geographical condition consisting of regions with mainland typology, tidal and coastal areas, where large areas of land are bertipologi swamp (tides) and coastal areas. This Inhil area typology condition leads to low productivity, low fruit quality, the location of scattered gardens with damaged road facilities and high transport costs and long marketing chains make the selling price of FFB received by smallholders is much lower than that of PIR farmers. The results of Hadi's study, ddk (2008 and 2010) found that the average gross income of smallholder farmers was only Rp 550,000 / ha, much lower than that of plasma farmers of Rp 1,265,000 / hectare.

On the other hand, international pressure continues to hit palm oil exports that are always linked to land fires, deforestation and global warming as a result of peatland clearance. Production of palm oil in accordance with the RSPO and ISPO is getting stronger. Therefore, before the issue of oil palm plantation development, people's pattern continues to grow, it is necessary to analyze the readiness of smallholders in the implementation of ISPO. Based on the description above research aims to identify and analyze the application of ISPO at the level of smallholder farmers in Indragiri Hilir.

Theoretical Framework

The implementation of ISPO is an implementation of Regulation of the Minister of Agriculture (Permentan) Number 19 / Permentan / OT.140 / 3/2011, on Indonesia Sustainable Palm Oil (ISPO). The implementation of ISPO is at the same time an effort to increase CPO bargaining position (crude palm oil / crude palm) Indonesia in the international market. The application of ISPO to the plantation business is one of the prerequisites for realizing sustainable plantations that synergize the economic, socio-cultural and ecological aspects. The successful implementation of ISPO requires the support of all components and stakeholders (stakeholders), related to the development of oil palm plantations.

ISPO certification can not be separated from the valuation of plantation business conducted by the government (In accordance with Permentan No. 07 / Permentan / OT.140 / 2/2009 on the guidelines of the assessment of plantation business). Where the results of the assessment are: Class I (very good), Class II (good), Class III (enough), Class IV (less) and Class V (less once). Only Class I, II and III can apply for ISPO certificates. The implementation of ISPO aims to (1) improve the compliance of plantation business actors in implementing applicable legislation, (2) protect and promote Indonesia's sustainable palm oil to be acceptable to the market international, (3) support Indonesia's commitment to conservation of natural resources and environmental functions.

According to Rosediana (2013), the Secretariat of the Commission on Sustainable Palm Oil in Indonesia during a presentation in the National Journalists Workshop "Building Sustainable Palm Oil Industry 2013" held by GAPKI. There are at least three main objectives of ISPO, (1), raising awareness of Indonesian palm oil businessmen / actors to improve the environment. (2), increasing the competitiveness of Indonesian palm oil abroad. (3), supports greenhouse gas reduction programs and is a key requirement of buyer countries for biodiesel palm oil.

Oil palm plantation regulations in Indonesia have basically applied the principles of sustainable plantation development based on three aspects: environment, economy and social or also known as 3P (People, Planet and Profit). Meeting the demands of sustainable development and responding to global market demands, the Indonesian government prepares the Indonesian Sustainable Palm Oil (ISPO) Guidelines. ISPO is a reference for the development of sustainable palm oil Indonesia, which is a summary of all legislation related to oil palm prevailing in Indonesia, so the provisions of ISPO is a requirement that must be obeyed by the plantation business in Indonesia. The implementation of ISPO is also evidence of compliance of plantation business actors, in complying with the prevailing laws and regulations in Indonesia and applying the principles of sustainable palm oil plantation management.

2. METHODOLOGY

This research uses survey method, whereas analysis unit in this research is peasant palm farmers. Sample of people's palm oil is taken proportionally based on the development of oil palm area by category (high, medium, low). Subdistricts with high category of development are Keritang, Kemuning and Kempas covering 74,172 hectares or 69.08% of the total palm oil plantations in Indragiri Hilir with 206,032 farmers or 69.08%. Subdistricts with medium category are Gaung, Reteh and Tempuling with a total area of 14,979 hectares or 13.95% of the total area of palm oil plantation in Indragiri Hilir with a total of 86.306 farmers or 28.94%. Subdistricts with low-growth areas represented by Pelangiran, Batang Tuaka and Concong of 18,222 hectares or 16.97% of the total palm oil plantations in Indragiri Hilir with 5,919 farmers or 1.98% of total farmers. Number of Farmers in Primary Area (Subdistrict) as much as 79,290 households. The number of samples that counted population from 3 categories in 9 sub-district primary areas, as many as 100 farmers, using Slovin formula (Prasetyo and Jannah, 2011) as follows:

$$n = \frac{N}{1 + N e^2}$$

Where:

n = Sample size

N = Population Size

E = error tolerance (0.1)

The analysis of data to answer the objective of identifying the readiness of ISPO implementation at farmer level in Indragiri Hilir is done by quantitative descriptive analysis, by comparing the implementation of legality, organization and management, and management of environment applied by smallholder farmers, whether it is in accordance with principle, criterion and indicator of ISPO. Readiness of ISPO implementation on peasant farmers by assessing four principles, 20 criteria and 47 indicators.

3. RESULTS AND DISCUSSION

To see the readiness of farmers in the pattern of the people face the implementation of ISPO, by analyzing the condition of farmers pattern of the people based on principles, criteria and indicators that have been established nationally.

4.1. Principle of Legality of Smallholder Farm

The principle of legality of smallholders' garden consists of (a) the criteria of the legality of the garden, (b) the criteria of the location of the smallholder farm. Criteria for legality of the garden consists of four indicators and the criteria for the location of the garden are two indicators. For more details the value of each indicator on the principle of garden legality can be seen in the following figure.

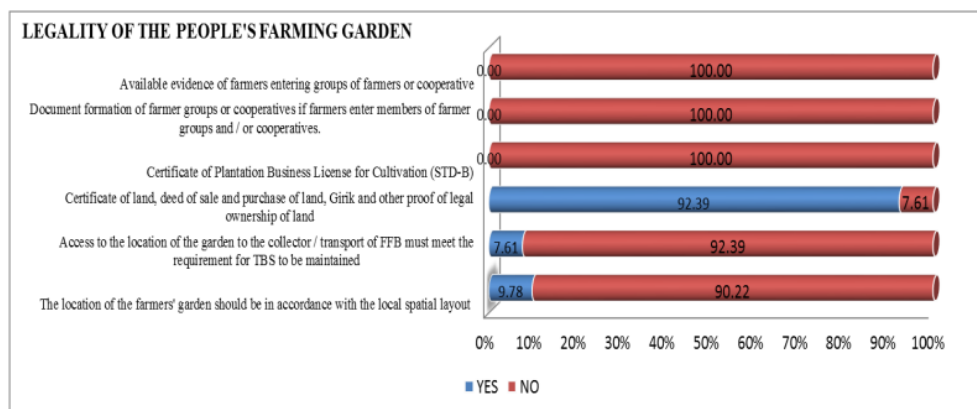


Figure 1. The Farmers Farmers Legality Principles

In the picture above can be seen that, of all the indicators that are in the group of legality principle of smallholder farmers, only indicator of legal letter of land owned sebahagian (92.39%) farmers, while the indicator of access to the location of the garden where the collector / transport TBS must meet the requirements for TBS to be maintained in quality and the location of the farmer's garden location in accordance with the local spatial planning is only owned by a small number of farmers or less than 10%. Other indicators on this principle are not owned or no peasant farmers apply them. This means that of all indicators on the principle of legality of people's patani, only one (16.67%) indicator applied by 92.39% and two (33.33%) indicator is applied a small (less than 10%) sample, while three (50%) indicator no smallholder farmers apply it.

4.2. Principles of Farmers' Organizations and Farmers' Farm Management

Principles of farmers' organization and management of the garden consist of criteria: (a) the people, (b) application of technical guidance of cultivation and palm oil, which of these two criteria consists of 36 indicators. The criteria of the people consist of four sub criteria and ten indicators, sub criterion of institutional organization of smallholder farmer's garden, all indicators in this sub-criteria are only 2.17% of the peasants who have document of formation and composition of cooperative management, while for other indicators all farmers pattern of people does not have it, meaning that cooperatives and administrators

formed by approximately 2.17% of smallholders just forming a board and no activities and work plans. Three other criteria / sub criteria on this principle are only 1.09% of the farmers available for dispute resolution status records and location maps are available to dispute, while for criteria / sub and other indicators on this principle, all sample farmers do not have. This means that the farmer does not have documents on (a) land overlap with other activities (b) land and compensation, (c) giving information to stakeholders and other related institutions. More detail the application of indicators of sustainable palm oil farmers on the criteria of the people's principles of farmers' organization and management of the garden can be seen in the following figure.

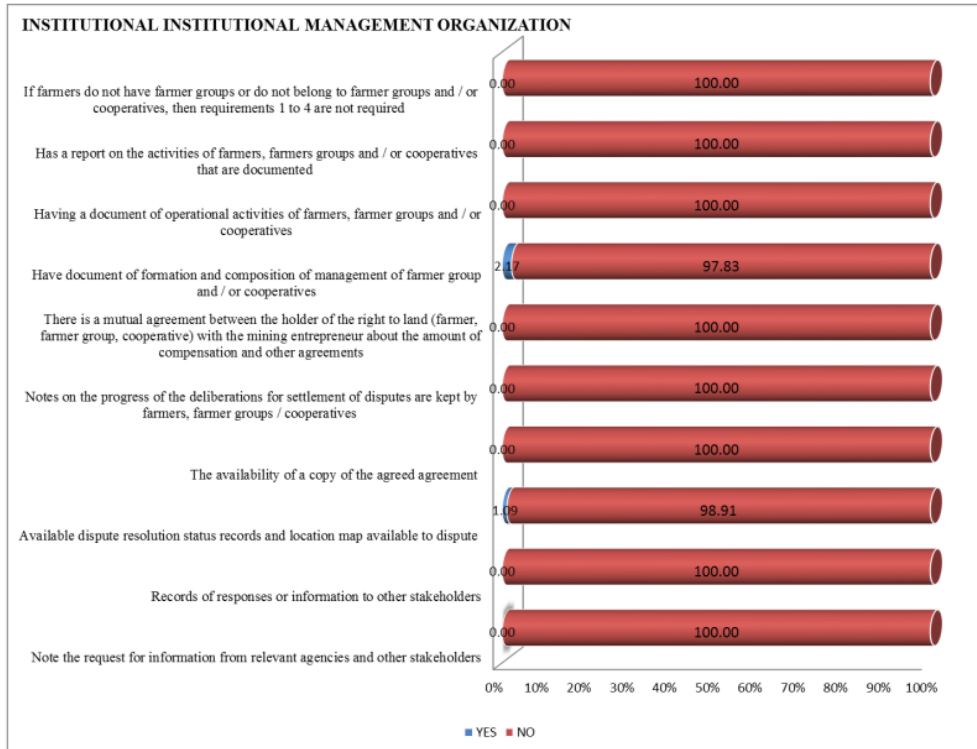


Figure 2. Farmers Organization Principles and Farmers' Farm Management

Criteria for application of technical guidance on oil palm cultivation and transport, which is also a group on the principle of farmer organization and farmers' garden management, consist of ten sub criteria and 25 indicators. For more details the number or percentage of sample farmers who are appropriate and that are not in accordance with the indicators in each criterion can be seen in the picture below.

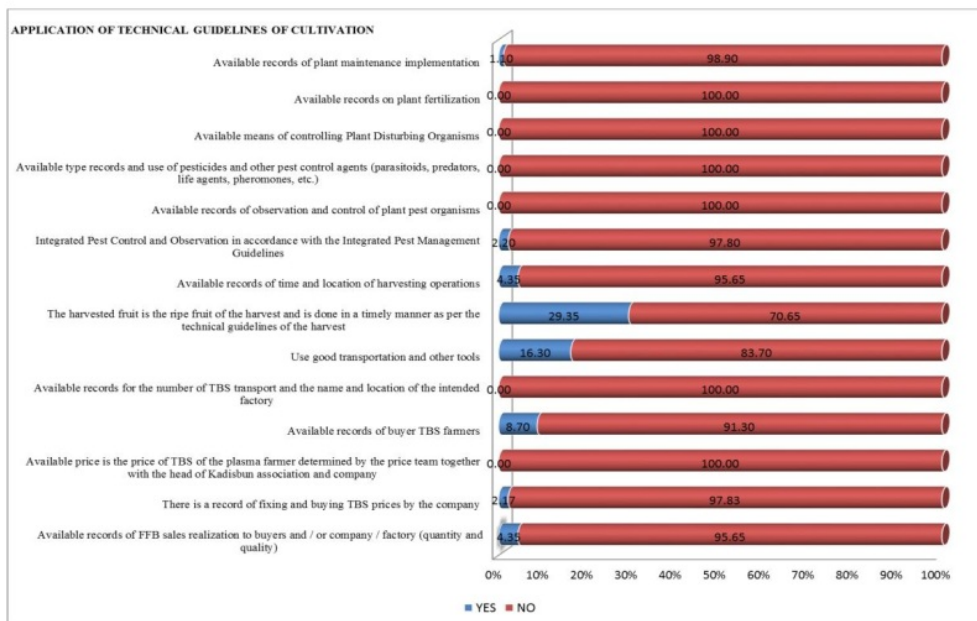
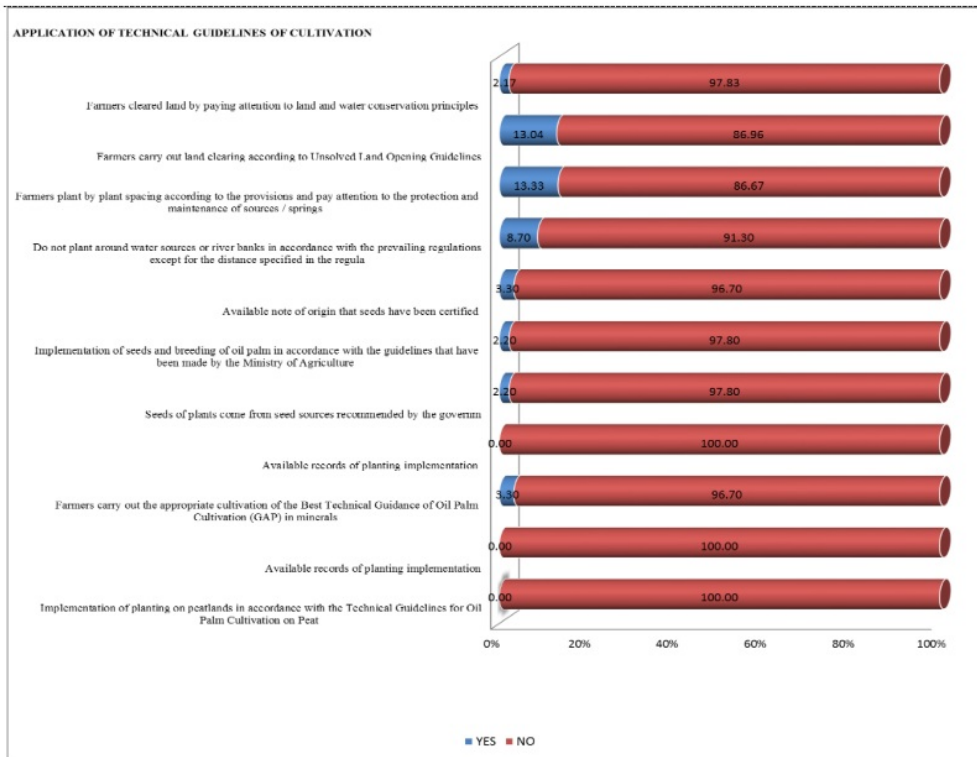


Figure 3. Application of Cultivation Technical Guidelines

The Figure 3. above shows that from 25 indicators on the criteria of technical application of cultivation and transport of oil palm, the best indicator of the farmers is the

indicator of harvested fruit is ripe fruit harvest and done at the right time and way, where only 29.35% of farmers do. Three indicators are farmers clearing land according to land clearing guidelines, farmers planting with the appropriate distance according to the stipulation and using good means of transportation in the pengangkutannya, only done by 13% to 16.30% of the sample. Eleven indicators only run or owned by 2.17% to 8.7% of smallholder farmers, while the other eight indicators have no farmers running / owning them. This condition indicates that from all indicators on the criteria of application of technical guidelines for the cultivation and transport of oil palm, if averaged very few farmers who already do or have it, this shows very limited knowledge and ability of smallholders in Inhil district as well as facilities and infrastructure in implementing oil palm plantations, in accordance with the required provisions or sustainable palm oil plantations. This condition indicates that the peasants are not ready for the implementation of ISPO, if not quickly responded, the farmers will experience disappointment because they receive smaller income than expected, meaning that the farmer's dream does not become reality and the coconut land has been turned into palm plantation, condition like this if the future of all existing PKS in Indragiri downstream already apply ISPO no adalagi PKS who want to buy TBS farmers.

4.3. Principles of Environmental Management and Monitoring

The environmental management and monitoring principles have three criteria: (a) environmental obligations, (b) fire prevention and prevention, (c) biodiversity preservation and 5 indicators. All indicators of these three criteria are only indicators of fire prevention and combating together with nearby villagers and village offices according to guidelines only 11.96% of the people are involved. Indicators know the existence of flora and fauna in the area of the garden and around the garden, before and after the start of the business, which is known by 27.17% of farmers. Farmers who carry out fire prevention and combating together with nearby villagers and village offices according to the guidelines, where in this village on community initiative and togetherness, they are aware of fire hazards and they support government programs on forest fire police and cooperate with officers. A total of 27.17% who know the flora of fauna in the garden and surrounding areas had not opened the gardens and now, the farmers only know and there is no rescue effort, where the flora and fauna there are dead and some are moving to another location, this happens to farmers which opened new land, but not so for farmers who only transfer land from other plants to oil palm. The other three indicators all farmers do not own, make and record about environmental management in palm oil plantations.

4.4. Principles of continuous improvement of busi

The principle of continuous improvement of business, consisting of one sustainable business criterion, which means sustainable enterprises are farmers, farmer groups, cooperatives with the guidance of other related institutions continuously improving social, economic and environmental performance by developing and implementing action plans that support the improvement sustainable palm oil production. One indicator of this criterion, namely the availability of records of the application of corrective action and improvement of quality, of all sample farmers no one to do the recording. For more details the percentage of smallholder farmers who do, know and record the indicators on the principles of management, environmental monitoring and sustainable business improvement principles can be seen in the following figure.

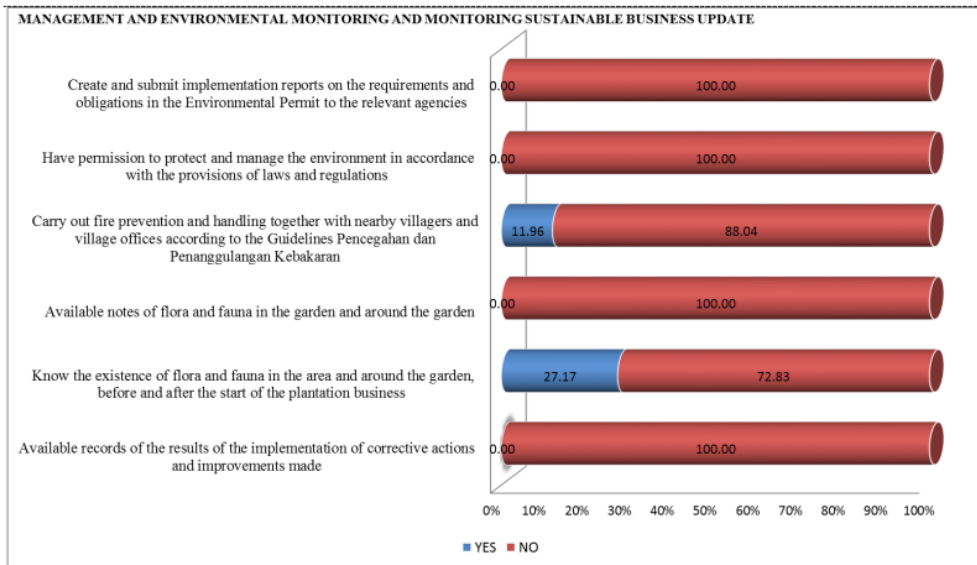


Figure 4. Principles of continuous improvement of business

In the figure above can be seen only 11.96% of samples that apply two (33.33%) indicator / ISPO requirements in the group of environmental management and sustainable business improvement, while 15.21% of samples only apply 16.67% criteria. This means that most (72.21%) of the sample of smallholder farmers have not applied at all ISPO requirements. On this criterion. Based on the results of analysis of all principles, criteria and indicators that have been determined to be don⁴ owned and recorded by Indragiri Hilir community farmers in fulfilling the requirements of Indonesia's sustainable palm oil plantations ISPO (Indonesia Sustainable Palm Oil), new or equal to 51.06 indicators or the ISPO requirement is implemented / applied by a small number of smallholder peasants, that is 10% to 19.15% of new peasants who are running or applying. This indicates that the smallholders of Indragiri downstream with the limitations of knowledge, limited capacity, limited facilities and infrastructure, topographic condition of the area and community culture, are not ready in the near future to implement ISPO cystin in palm oil plantation management. Farmers who have planted palm with non-superior seedlings, planted riverside gardens with irregular plant spacing and so forth something that is difficult to repair or continue the plant to continue to be treated, because the basic investment / raw material that is not the right (seed non superior). Implementation of ISPO in Inhil District for companies and farmers, then most of the inhil district farmers will be threatened with loss of income and loss of investment that has been wrong step at the beginning of the business, done with all the limitations. Implementation of ISPO may be done for the garden business that will be made by first socializing ISPO to the public, for most of the farmers' farms that have been cultivated in policy that can help farmers.

4. CONCLUSION

Smallholder oil palm farmers in Indragiri Hilir district are not ready for ISPO implementation, because four principles and 20 criteria and 47 indicators are defined as ISPO requirements, from 47 indicators set in the ISPO requirement of the people pattern, only 51.06% (24) indicator ISPO run by smallholders. From the ISPO indicator that has been run by smallholder farmers, it is run by only a small number of smallholder farmers, of which all indicators are run only by 10% to 19.15%.

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