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In-depth Country Assessments - Indonesian experience

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Abstract

Indonesia is an archipelago country which has 237.6 million people and most of them are poor people live in rural areas. Economic growth last year was 5.78 where agriculture sector has contributed around 14.43 percent with 26.1 million agricultural households.

Accurate and timely agricultural and rural statistics are very important to secure food security and reduce poor people, and to develop sustainable agriculture sector. Existing methodology for producing statistics need to be evaluated, assessed, and improved by implementing statistical capacity building in Indonesia as a part of Global Strategy in improving data on agriculture and rural sectors.

1. Introduction

Indonesia is an archipelago country with 17 508 islands, around 6 000 islands are occupied. It has 237.6 million people in 2010 and 50. 21 percent of them live in rural areas (2010 Census of Population). In September 2013, number of poor people was 28.1 million people and 62.8 percent in rural areas (LBDSE, February 2014). Economic growth in 2013 was 5.78. The agriculture sector has contributed around 14.43 percent of economic growth in 2013. This was the second highest after manufacturing industry sector (23.69 percent). In 2013, Indonesia has around 26.1 million agricultural households (2013 Census of Agriculture).

Based on those figures, role of agriculture sector is very important in Indonesia, especially availability of accurate agricultural and rural statistics for decision makers in order to make policies and program for sustainable food and economic development, and reducing poor people.

2. Over View of the Statistical System

The Statistics Law, Act No. 16, 1997 provides the legal basis for statistical activities in Indonesia and mentions the BPS-Statistics Indonesia (BPS) as the executive agency for statistical activities. The Statistics Law mandates BPS to provide data and statistical information on a national and regional basis as well as coordinate, integrate, synchronize, and standardize the collection of statistics in Indonesia. BPS is responsible to produce the Indonesian official statistics by adopting sound methodology in conducting censuses and surveys for all activity steps (preparing, collecting, processing, analyzing, and disseminating). Three censuses (population census, agricultural census, and economic census) mentioned in the law must be carried out every ten year by the BPS as well as some surveys for providing basic statistics to the Government of Indonesia.

The Act also mandates BPS to assist all ministries including Ministry of Agriculture, Ministry of Marine Affairs and Fisheries, and Ministry of Forestry in conducting their sectoral statistics and ministries are empowered to collect and compile their sectors for monitoring and evaluating their policies programs.

In accordance with the National Statistics System, since 2001, the Local Government Law, Act No 22, 1999 has been launched, the Ministry of Agriculture (MoA) could not directly manage its data

collection from the district/municipality governments as before. Therefore, BPS, the MoA, and the autonomous local government authorities have made an agreement in providing sustainable agriculture data, especially food crops and horticulture crops. It mentions that the local government must continually collect data of planted and harvested areas for food crops and horticulture crops. Also the local government's staffs have to work together with BPS' staffs in sub district to collect a crop cutting survey for estimating productivity data of food crops. Production and harvested areas of horticulture crops have to be collected by the local government only. BPS is responsible to process and disseminate data food crops and horticulture crops which collated by staffs of the local governments. BPS conducts a press release every four months to disseminate the food crops estimates and every year for special horticulture crops, i.e. red chili and shallot.

BPS collects data of estate crops from all estate establishments in Indonesia which have legal entity by mailing system. The filled questionnaires should be returned monthly to BPS. BPS also collect more detail annually by interviewing them. This method is also used for collecting establishment with legal entity data for horticulture crops, livestock, and fishery.

MoA estimates production of estate crops which planted by farmers who have land under 25 hectares.

3. Key Issues and Challenges in Agriculture Statistics

Production of food crop is calculated by multiplying harvested areas and productivity per hectar. As explained above, harvested areas are collected by the local government staffs under the general direction of MoA. They use "eye estimation" to get data from famer groups, village chiefs, and other local officials that provide an opinion on total areas planted and harvested in each subdistrict. Production of horticulture crop is collected by the same method of food crops and the same local government staffs. These estimates could not be measured how big the statistical errors since based on not scientific statistical method in practices.

Therefore, BPS methodologists must review and re-establish this method, including international concepts and definition, standards of classifications such as ISIC, ISCO, CPC, HS, COICOP. The sound sampling frame can be built from the results of the 2013 Indonesian

Agricultural Census with 3 type unit observations, i.e. agricultural establishment with legal entity, agricultural household, and others (not establishment and household). Then a sound sampling method can be designed to estimate some agricultural characteristics from each unit observation. Furthermore, agricultural statistics can be produced accurately as well as their errors can be measured statistically.

4. The Design of In-depth Assessment Process

The objective of the in-depth assessment is to 1) provide an in-depth assessment of the Indonesia capacity for collecting, compiling, and disseminating reliable and timely agriculture, fishery, forestry, and rural statistics and 2) confirm and clarify the information provided the initial country assessment questionnaire.

To obtain the objective, it was arranged several meetings. First meeting on Thursday December 5, 2013 at BPS was to introduce the program and schedule and second meeting at FAOID. Third meeting was the National Stakeholders Meeting on the Regional Action Plan to Improve Agricultural and Rural Statistics organized by BPS with support from FAO on Friday, 6 December 2013 at Kartika Chandra Hotel, Jakarta. There were three papers presented by Mr. Allan Nicholls with the topics: 1) Role of the Global Strategy in Improving Data on Agricultural and Rural Statistics, 2) Minimum Core Data Set, and 3) Proposed process for In-Depth Country Assessment. Two consultants were attending the meeting i.e. Mr. Michel Trant as International Consultant and Mr. Zaenal Achmad as National Consultant.

Stakeholders who invited and attended in the meeting come from MoA (13 staffs), BPS (49 staffs), Ministry of Marine Affairs and Fisheries (2 staffs), Ministry of Forestry (4 staffs), Ministry of Trade (5 staffs), FAOID (5 staffs), UNFPA (1 staff), World Bank (1 staff), US Embassy (2 staffs), Bogor Agricultural University (2 staffs), Rubber Association of Indonesia (1 staff), USAID (1 staff), The Ministry of Coordinating for Economic Affairs (2 staffs), Indonesia Chamber of Commerce and Industry (1 staff), PERHEPI (1 staff) .

After the meeting, both consultants have visited to stakeholder offices to make an assessment by individual interviewing. The assessment is the basis of detailed diagnostic report for

developing a Strategy Plan for Agricultural and Rural Statistics. The assessment was covered the statistical capacity and state of the 1) institutional infrastructure, 2) human, financial, and technical resources, 3) statistical methods and practices, and 4) the availability and accessibility of the “core data” required and timeliness of annual agricultural statistics is a high priority government objective.

5. The Expectation from Global Strategy

The Global Strategy will be able to improve the existing methodology of collecting agricultural, fishing, forestry statistics in Indonesia and to realize a conceptual framework to develop sustainable statistical system for production and dissemination of accurate and timely agricultural and rural statistics as part of national statistical system in Indonesia.

6. Key Areas of Capacity Building

Technical assistance to develop strategies for increasing quality of agriculture statistics:

To build master sampling frame from the results of the 2013 agriculture census for integrating agricultural surveys (production of food crop, horticulture crop, estate crop, aquaculture, fisheries and forestry) by agricultural household approach as well as establishment approach.

To build a sound statistical methodology for sampling and survey design for farm income, cost of production, others at lower level (district and sub district).

To harmonize and coherent the agriculture data for value of production, consumption, and export/import.

7. Conclusion and Recommendations

Indonesia collects, compiles, and publishes all of the global minimum key variables and global data items at national and provincial level for agriculture (food crops, horticulture crops, estate crops, livestock), fishing, and forestry annually. The local government staffs and BPS staffs at sub districts collect and compile the statistics. However, the methodology of this annual survey should be improved by a new sampling frame and sampling design which can be built from the results of 2013 agricultural census.

It proposes to conduct a Pilot Study on the island of Java to test a new sound methodology for collecting production of agriculture data with supported by the global strategy program.

8. References

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Trant, M and Achmad, Z, (2013), Draft Report of Indonesia In-Depth Country Assesment of Agricultural Statistics Capacity