



منظمة الأعدنية  
والزراعة  
للأمم المتحدة

联合国  
粮食及  
农业组织

Food  
and  
Agriculture  
Organization  
of  
the  
United  
Nations

Organisation  
des  
Nations  
Unies  
pour  
l'alimentation  
et  
l'agriculture

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación

Agenda item 4

STAT-EMPOWER-5  
September 2009

Expert Consultation on Statistics in Support of Policies to Empower Small Farmers

Bangkok, Thailand, 8 -11 September 2009

FARMERS' DIRECTORY FOR DIRECT INPUT-SUBSIDY POLICY IN INDONESIA

## 1. Indonesia and the Province of Nanggroe Aceh Darussalam (NAD)<sup>1</sup>

Indonesia is located between 6<sup>o</sup>08' north and 11<sup>o</sup>15' south latitude, and between 94<sup>o</sup>45' to 141<sup>o</sup>05' east longitude. The Republic of Indonesia is divided administratively into 33 provinces. The provinces were further subdivided into 372 regencies, 100 municipalities, 6,548 districts, and 71,918 villages.

The whole land areas are 1,910,931 km<sup>2</sup>; and this country has only two seasons, dry and rainy seasons. Generally dry season is April to September, and rainy season is October to March, but global climate change has made the seasons not regularly change.

Predicted population in the year 2008, based on Population Census 2000, were 228.52 million people, and its annually growth rate in the period of 2000-2008 was 1.36%.

Nanggroe Aceh Darussalam (NAD) is one of 33 provinces, and it is located in the very north part of Indonesia or in the north edge of the Sumatera Island. The land area is 57,956 km<sup>2</sup> or only 3.03% as compare to the whole Indonesia's areas. Its population in the same year was only 4.29 million or only 1.88% as compare to Indonesia. Thus, the population density in this province was lower than that of Indonesia. It was make sense, because more than 60% population live in Java Island, which its area is only 7% that of Indonesia.

Agricultural census is conducted in every ten years, in the year ended with 3, e.g. 1973, 1983, 1993, and the last 2003. However, there were no 2003 agricultural censuses in NAD, just because of the political problem. In the end of 2004 (December 26, 2004), there was Tsunami disaster which destroy most infrastructures, included that of agriculture. More than 200,000 people were killed as victims of the disaster. Furthermore, the number of households in the coastal area and its location has been changed.

In the 2008, the government of Indonesia needed to have data of the farmer households, especially individual data, for farmers who grow paddy (rice), mice, soybeans, and cane sugar (PMSC). In other than NAD provinces, because of there were 2003 agricultural census, in 2009 to find the data of PMSC farmers, BPS made use the agriculture census by field-up-dating in 2009. Data that needed by the government was broke-down by name and address of the farmers. The data for all provinces of Indonesia has been completed by the end of June 2009. Based on the data, the government wants to distribute direct subsidy – targeted subsidy -- to farmer.

Because of the reasons – no agricultural census and Tsunami disaster in NAD - the government decided to conduct a similar agricultural census, and the specific name of the census is – in Indonesia was called by *Pendataan Lengkap Usaha Tani (PLUT)* - Complete Survey of Farmers' Business (CSFB), and its statistic activities in NAD can be considered as agriculture census.

## 2. The Aim of the Census

Generally, agricultural subsidy indirectly paid by the government. Fertilizer, for instance, government paid some money to fertilizer manufacturing company, and then the company sends to the fertilizer dealer in all cities/towns. In this stage, fertilizer should be sold in subsidized prices. However, by the distribution system of fertilizer, some speculator can play the role to take profit. Thus, in hand of farmers, the price of fertilizer could reach as high as market (non-subsidy) prices, and in terms of farmers, there is no

---

<sup>1</sup> The latest name of the province will be “the Province of Aceh”

meaning of subsidy by the government. The subsidy not goes to the farmers, but to the distributors. This is the reason why the government needs individual – especially name and address - data of farmers to distribute direct subsidy.

Traders or distributors of fertilizers got more benefit, but the government wants the farmers get the subsidy for the purpose of farmer’s welfare through the lower price of inputs. The government’s constraint, in terms of name and address of the farmers, will be addressed with the availability from the agricultural census.

In line with the purpose to find name and address of farmers -- especially for who grow PMSC commodity – also complete agricultural census has been implemented in Nanggroe Aceh Darussalam (NAD).

### 3. Indonesia’s Censuses

Based on Indonesia statistical decree, there are 3 censuses in Indonesia: population, agriculture, and economic censuses. The first is always been conducted every ten years ended by 0, e.g. 1970, 1980, 1990, and the last 2000. The second is always been conducted ten-yearly ended by 3: e.g. 1973, 1983, 1993, and the last was 2003. Economic census is always been also conducted ten-yearly ended by 6: e.g. 1986, 1996, and the last was in 2006. In any censuses, there is a relevant survey in between two periodical censuses, such as Inter-censal Survey of Population. It is also conducted for agricultural and economic surveys.

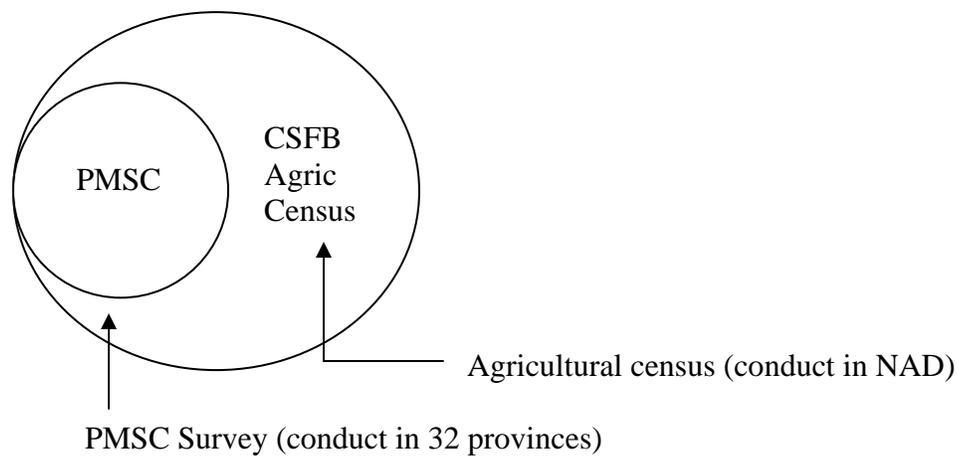
### 4. Agricultural Censuses in Nanggroe Aceh Darussalam

#### 4.1 The Aim of the Census

Despite the census to gets the data of name and address of farmers who grow paddy (rice), mice, soybeans, and cane-sugar (PMSC), the aim of agricultural census in 2009 is also to get information of other commodities which are grown by the farmers. Thus, all farmers with their commodities were enumerated. Agricultural census in NAD is visually described in Figure 1.

Figure 1

The visualization of PMSC survey and agricultural census in NAD



In NAD, it was conducted survey of PMSC farmers as well as other than PMSC. In words, there was a survey for all farmers. Thus, especially in NAD, there was an agricultural census. In the special name, it was known as CSFB, stand for Complete Survey of Farmers' Business.

## **4.2 Methodology**

The methodology of survey consists of area coverage, farmers' business households, and data collection.

### **4.2.1 Area Coverage**

Area coverage of the Complete Survey of Farmers' Business (CSFB) in Nanggroe Aceh Darussalam (NAD) is the whole rural and urban area in the province of NAD. In terms of census terminology, the whole areas are divided into Census Block (CB), and the census coverage is the whole CB. Since 2008, in line with decentralization era in Indonesia, the number of districts (regencies/municipalities) government in NAD become 23, and all covered of 276 sub-districts, and 6,454 villages. There was 14,028 Census Block (CB) which covering 652,855 households. For all those regencies/municipalities area CSFB were applied.

### **4.2.2 The Coverage of Farmers' Business Households (FBH)**

The farmer households included in the CSFB is households, which have agricultural business. Data of farmer households who grow PMSC enumerated for the whole Indonesia, and the use of the data is to distribute agricultural direct subsidy to farmers.

However, especially in NAD, because of no 2003 agricultural census, in line with this statistical activity there is also conducted agricultural census other than included in PMSC. All agricultural commodities are included.

### **4.2.3 Methodology of Data Collection**

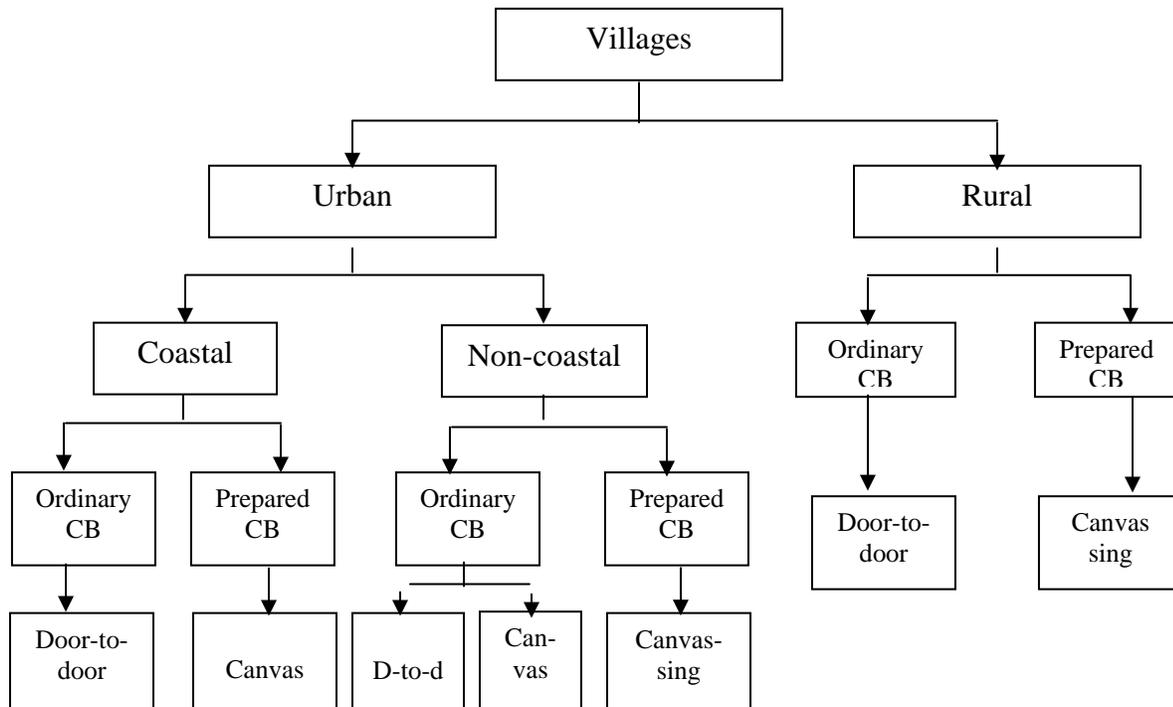
Villages, the lower government administration area, are classified into urban and rural in line with the concept/definition applied by BPS. Urban area is categorized as coastal and non-coastal to cover of fishery potential. The classification is based on village-potential data 2008 (BPS has annually data of village-potential).

The planning of the group area is to simplify the data collection in the field. The methodology of data collection is that the enumerator has to come to any households, a household at a time, or door-to-door enumeration (to make clear, see Table 1 or Figure 2)

Table 1  
Method of Data Collection

Category of Villages	Geographical Location	The Coverage of Census Block	The Method of Data Collection	
			Ordinary CB	Prepared CB
(1)	(2)	(3)	(4)	(5)
Rural		complete	door-to-door	canvassing
Urban	Coastal	complete	door-to-door	canvassing
	Non-coastal	samples the rest of samples	door-to-door canvassing	canvassing

Figure 2  
The Method of Data Collection



Door-to-door enumeration method is a direct listing to the whole physical households, which the enumerator is coming to household one at a time in the whole Census Block (CB).

Canvassing is an enumeration method to get farmers business household (FBH) data, which enumerators come to FBH, whether who grows PMSC or others in the Census Block. The sources of information of farmer household are village-officer, authorized farmer groups, or other informal leaders.

Especially for non-coastal area, CB that door-to-door or canvassing are applied, those are pointed by BPS. Those pointed CB are based on Village-potential Data (*Potensi Desa 2008*). The data are the number of farmer households in the village.

Data collection, which is used, of door-to-door method is applied to all CB in the concentration villages - a village which the density/number of farmers is large, more than 80 per cent. However, in the non-concentration village, a canvassing method is applied.

## 5. Data Processing

Data processing conducted in branch offices, because of three reasons. Firstly, to empower human resources of BPS, and also the infrastructure of data processing in those offices are sufficient. Secondly, physically near distant between data processing centre and the respondents. It makes easy to do correction for some enumeration errors in the fields. Thirdly, easy to socialize and anticipate anything happened, because Banda Aceh (the capital city of Nanggroe Aceh Darussalam) is far enough from Jakarta, around four hours flight.

## 6. Result of the Census

### 6.1 The Main Result

Three main results of the census are: name and address of the PMSC farmers, number of all farmers, and other agricultural variables. The first data also resulted from other 32 provinces. Thus, there are name and address for PMSC farmers for all provinces in Indonesia. However, the first and second one cannot be summed, because PMSC could be as well as non-PMSC farmers.

Based on the data of PMSC farmers, broken-down by name and address, the government possible directly distributes the subsidy to farmers. Therefore, there is no distortion of the subsidy, and farmers can get more benefit, in terms of getting “cheaper” inputs.

Summary result of the whole PMSC farmers broken-down in NAD is shown in Table 2 and all farmers in Table 3.

Table 2

Population of PMSC Household Farmers in NAD and the Whole Indonesia

	Regencies/ Municipalities	Districts	Villages	Census Blocks	PMSC Households
NAD	23	276	6,454	14,028	458,445
32 Provinces	459	6,272	65,464	576,710	17,372,387
Indonesia	472	6,548	71,918	590,738	17,830,832

Table 3

The Population of All Farmers' Household in NAD

	Regencies/ Municipalities	Districts	Villages	Census Blocks	All Farmers' Households
NAD	23	276	6,454	14,028	652.855

### 6.2 Specific of NAD

Only in NAD, there was a complete agriculture census not only for PMSC commodities, because the reasons stated before (no 2003 Agriculture Census, and also

Tsunami disaster). Thus, this census can be stated as a baseline of the next agricultural census in 2013.

There were 652,855 farmers' households, and part of those is 458,445 PMSC farmers. Indeed, more than 458,445 PMSC farmers, but most of MSC farmers were under the minimum scale of threshold. Most farmers grow many commodities, but each of them is very minimize of scale, by the reasons why agriculture in NAD is not an efficient business.

Because of relatively large area in surrounding house, so many commodities grow around the house: coconut, sugar cane, mice, and others. Thus, each of commodities is only grow in very small area, and it is considered as not efficient farming. This is a mapping of agriculture in NAD and can be considered for the development in the future.

## **7. The Implementation of Targeted Subsidy**

### **7.1 The Succeeds of Direct Cash transfer**

To assist purchasing power of the poverty, the Indonesia government has implemented Direct Cash Transfer—DCT or known as *BLT* or stand for *Bantuan Langsung Tunai*. In terms of statistics that was successful story.

DCT/*BLT* was succeeds because of the supply the individual data of poor people broken down by name (households) and address. The government give the money to the poor through the follow mechanism: firstly, statistics give the individual data of households to the district Post Office; secondly, make use of individual data the Post Office produce identity card and giving it to the households; finally, in certain timetable, the poor claim DCT in the Post Office.

Make use of the individual data of PMSC farmers, with some innovation, the Indonesian government tended to imitate the procedure of DCT to distribute Targeted Subsidy.

### **7.2 Targeted Subsidy**

Make use of PMSC result, the Targeted Subsidy will be applied by the government in the 2011. While in 2009 a group of some institutions is going to explore for some possibilities to find the most effective method to apply targeted subsidy. In 2010, the government will apply the pilot project of implementing Targeted Subsidy.

After the data resulted from the survey, a problem a rise. Not all farmers are also the landowners, but based on the experience, most farmers are also the landowners, and only few farmers relay on rental land. Thus, the most possible, Targeted Subsidy will be distributed for farmers that also landowners. The number of farmer who is not a landowner is very fragile.

As data, poor farmers may because of they operate farming in small area. That is why, in the Targeted Subsidy, the government should limit the large area occupied by farmer. Some idea from the team meeting, the maximum large area for Targeted Subsidy plans to 2 hectares. However, this was not a decision.

### 7.3 Why PMSC Commodities?

In the national census the government focus on PMSC (paddy, mice, soybeans, and cane-sugar) commodities, because of these are strategic commodities. Staple food of all Indonesian is rice, so supply of rice should stable. Mice are not only a substitute of rice, but also for other purposes. A soybean is also a strategic, in terms of food. Anybody knows that in Indonesia most people eat *tempe* and *tahu* (tofu), which the raw material is soybeans. For this purpose, Indonesia remain rely on import soybeans. The similar case for sugar, most people like sweet food/drink.

Agriculture subsidy for farmer who grows PMSC commodities is to support and guaranty a domestic supply of those commodities. Sometimes, the domestic supply disturbed by international supply.

### 7.4 *Kelompok Tani* (Group of Farmers)

Some farmers might make unity in the *Kelompok Tani* (a group of farmers). To make easy, *Kelompok Tani* is known as its abbreviation: *Poktan*. Every *Poktan* has a specific name, e.g. *Poktan* SUMBER REJEKI. All *Poktan* are registered in the Agriculture Office.

Some *Poktan* may make unity in the *Gabungan Poktan* and known as *Gapoktan*. The problem is now: How to distribute Targeted Subsidy.

The goal of *Poktan* is to increase welfare of its member (farmers). As a *Poktan* member, a farmer easier to obtain seeds, information, to sale products, and others, of course subsidy

Especially in NAD, not all farmers are registered in *Poktan*. This condition is caused by political problem and tsunami disaster. The Agriculture Office should redeveloped and register all *Poktan* in the district.

### 7.6 Distribution of Subsidy

To distribute subsidy direct to farmers is not the easy way. Huge number of farmers and also its spread oh location in the large area is the problem. Again, how to distribute subsidy?

*Poktan* may be the key to distribute subsidy. Almost all farmers are member of *Poktan*, and all *Poktan* are registered in the Agriculture Office. Thus, subsidy may distribute through *Poktan*, and farmers get subsidy from *Poktan*. From the explanation, the distribution of subsidy may follow the procedure: (a) Department of Finance give the subsidy to Agriculture Office; (b) subsidy forwarded to *Poktan*; and (c) from *Poktan* subsidy to farmers.

When *Poktan* was decided as a distributor of subsidy, the government should do more identification about its existence and also to make sure whether all farmers are members of *Poktan*. The finalization of identification should be completed in the year 2010.

The detail of the distribution procedure for Targeted Subsidy may be as follows:

- a) Make sure the existence of *Poktan* by sub-district;
- b) Make sure all farmers as member of certain *Poktan*;
- c) Update data in 2010 for 2011 Targeted Subsidy;
- d) Produce identity card as for DCT.

## 8. Conclusions and Recommendation

### 8.1 Conclusion

Based on field experience, enumerator recruitment was an important aspect of any survey. High quality of this aspect spurs a high quality of the results.

Complete Survey of Farmers' Business (CSFB) conducted in NAD resulted useful some essential agricultural parameters: 1) the number of all farmer households, 2) PMSC farmer households as well as their name and address, 3) some specific plantation in NAD, and 4) farming concentration area.

*Poktan* is the key channel to distribute Targeted Subsidy. However, the existence of *Poktan* should be checked carefully, especially in NAD.

Procedure setting of Targeted Subsidy distribution is very important in terms of the effectiveness of distribution.

### 8.2 Recommendation

Distribution of subsidy is a critical point. Farmers' society, who tends to live in rural area, may not be as bank customer yet. Even though, officially, there is farmers group (*Poktan*) that possible to distribute subsidy, but, in the reality, they not exist in anywhere in Indonesia. Thus, the government has to make planning what the best strategy to distribute direct subsidy. Otherwise, direct subsidy will be inefficient.

The success of the distribution of subsidy is also depends on the degree of accuracy in the farmers' household identification, real farmers or temporary farmers. One can suggest that last kind of farmers should not be given subsidy.

When *Poktan* was decided as a distributor of subsidy, the government should do more identification about its existence and also to make sure whether all farmers are members of *Poktan*. The finalization of identification should be completed in the year 2010.

---

## Appendix

### Population of All Farmers and PMSC Household Farmers in NAD Broken-down by Regencies/Municipalities

Regencies/ Municipalities	Districts	Villages	Census Blocks	PMSC Households	All Farmers
<b>NAD</b>	<b>276</b>	<b>6,454</b>	<b>14,028</b>	<b>458,445</b>	<b>652.855</b>
01. Simelue	8	138	166	12,810	14.584
02. Aceh Singkil	10	117	356	3,668	8.486
03. Aceh Selatan	16	248	707	23,730	33.820
04. Aceh Tenggara	16	385	468	26,793	33.534
05. Aceh Timur	24	512	977	40,456	60.558
06. Aceh Tengah	14	271	558	10,094	25.010
07. Aceh Barat	12	321	626	15,351	21.524
08. Aceh Besar	23	604	1,405	34,379	40.428
09. Pidie	23	733	1,748	68,540	70.818
10. Bireun	17	608	1,241	47,549	58.942
11. Aceh Utara	27	863	1,639	73,869	89.331
12. Aceh Barat Daya	9	132	339	15,094	20.446
13. Gayo Lues	11	144	176	10,286	13.455
14. Aceh Tamiang	12	213	606	19,830	36.757
15. Nagan Raya	8	237	509	16,665	25.362
16. Aceh Jaya	6	173	373	10,119	14.110
17. Bener Meriah	7	232	259	5,049	20.586
18. Pidie Jaya	8	222	562	21,129	25.723
19. Banda Aceh	9	90	507	497	4.227
20. Sabang	2	18	67	332	2.577
21. Langsa	5	51	249	2,926	10.738
22. Lhokseumawe	4	68	310	3,673	13.071
23. Subulussalam	5	74	150	5,606	8.568