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**Institutional Strengthening Strategy of Cocoa Farmer Group in
Increasing Income of Cocoa Farmers in Pohuwato Regency,
Gorontalo Province**

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Abstract

This study explains the strategy of strengthening the institutional cocoa farmer groups in increasing farmers' income in Pohuwato Regency, Gorontalo Province. The problem studied is how the strategies used in strengthening the institutional cocoa farmer groups so as to increase the income of cocoa farmers in the Pohuwato Regency. In discussing this problem, a qualitative descriptive approach was used by gathering a number of information based on interviews with informants consisting of extension workers and officials from related agencies and cocoa farmer groups and conducting field observations from the beginning until the research activities were completed. Furthermore, the data collected is reduced, and presented in the form of a description accompanied by a description of the results of the interview and other data that will lead to withdrawal in accordance with the facts found during the research process. The results showed that the institutional strengthening strategy of cocoa farmer groups can be carried out through: 1). Revitalization of farmer group institutional management functions, 2). Increasing the capacity of farmers' resources, 3). Development of partnerships between entrepreneurs and cocoa farmers, and 4). Formation of socio-economic institutions such as Farmer Cooperatives or Village-Owned Enterprises. The implementation of the institutional strengthening strategy of the cocoa farmer group is carried out by involving all parties from the relevant agencies, extension agencies, extension agents, and farmer groups as well as the entire cocoa farming community. The impact of this policy is an increase in the income of the farming community which is marked by an increase in the welfare and economy of the community in Pohuwato District, Gorontalo Province.

Keywords: strategy, strengthening, institutions, farmer groups, cocoa

1. Introduction

The activities to help empower cocoa farmers are considered very important. This is to ensure that the cocoa industry is sustainable. And also to facilitate economic growth in countries of origin [1]. Cacao is a well-adapted agro-forestry plantation crop grown in hot, rainy climates [2]. Cocoa development policy is one thing that is very important to increase community income. There are incidents of inefficiency in resource management in cocoa planting by cocoa farmers because some resources are underutilized and others are overused [3]. The importance of farmer institutions is recognized in agricultural development, both in the country industry or developing countries like Indonesia. Institutional in business the farmer has an important role in almost every stage of farming [4].

Today we are living in a global economy, which is becoming increasingly dynamic every day with rapidly changing social, economic, political, and technological environments. In such a complex and changing world we are confronted with multiple investment decisions [5]. One alternative we can do is to develop cocoa as a superior commodity that is used as a source of income for farmers. What we do really need a strategy that can strengthen farmer group institutions.

The improvement of farmers' skills in farming shows the role of groups. [6]. Efforts to increase the active role of farmer groups are one form of institutional strengthening of cocoa farmer groups through improvement in farmer group management, improvement of cultivation techniques, maintenance techniques, harvesting techniques, and implementation of cocoa fermentation. The activity of group assistance by farmer groups can be done. This activity is carried out by providing training in cocoa farming to members of farmer groups [5].

In accordance with the facts in the field, it turns out that cocoa farmer groups have not made efforts to strengthen institutions at the group level. Most farmer groups carry out their activities without coordination with relevant agencies or with other farmer groups. As a result, farmer group activities are not optimal and have not been able to facilitate the interests of farmers as group members. We heard from cocoa farmers and community members directly about how climate change is affecting their crops [7]. Therefore, it is very necessary to strengthen the institutional strategy of cocoa farmer groups, especially in applying agricultural and plantation technology, so that production results will increase with the impact on increasing the income of the farmer groups and cocoa farming communities.

2. Materials and methods

This research has been carried out in Pohuwato District, Gorontalo Province by using a qualitative descriptive approach. The data source in this study is the informant. The informant is determined using the snowball technique. After the researcher is at the research location, the researcher asks for information from a number of designated informants. The documents used relating to research were obtained from various institutions, namely: the department of agriculture and food security, cooperative institutions, trade and industry, counseling of the executive body, social service agents, and group farmers. While secondary data comes from research results, documents, and related literature.

For the sake of the effectiveness and efficiency of research, the data collection method used is the in-depth interview method. The results of this interview are then supplemented with secondary data derived from documents/publications/research reports from relevant agencies/agencies and other supporting data sources.

In this study data analysis techniques are used: a). Data reduction for the sake of simplifying data in order to further sharpen the data needed, b). Presenting data in an organized and systematic manner, so as to form one integrated and integrated component, c). Perform data interpretation as a determining step in drawing conclusions [8]. The conclusion is an attempt to find the meaning of the data recorded and presented. The data obtained is validated through: a). Extension of observation, b). Focus Group Discussion (FGD), c). Adequacy of references.

3. Result and Discussion

The main source of sustenance in many countries is Agriculture. Agriculture plays an important role in human survival. Human well-being depends on the stability and scale of

agricultural production [9]. Therefore, it is necessary to improve the application of agricultural technology using various strategies such as institutional strengthening strategies for farmer groups.

3.1. Strengthening Strategies for Cocoa Farmer Group Institutions

To strengthen the institutional of the Cocoa farmer groups in Pohuwato Regency, it can be done through various strategies in accordance with the conditions and capacity of the Cocoa farmer groups. A description of the institutional strengthening strategy for the Cocoa farmer groups is as follows:

3.1.1. Revitalizing the institutional management function

The main problems in strengthening farmers' social capital include problems in aspects of inputs (production tools), marketing, agricultural capital, and farmer institutional [10]. Cocoa farmer group institutionalization is a place for farmer groups to channel the aspirations of their members. One of the factors that determine the institutional development of farmer groups is the organizational structure. Institutional management of farmer groups will be well organized if supported by an organizational structure, where group formation is accompanied by the division of tasks and responsibilities of group administrators. In institutional farmer groups are required to have Human Resources that can drive group activities and their leadership can be accepted by fellow farmers who join the group.

From the results of the study, the institutional management function of the Cocoa farmer group has not been maximized. Judging from the organizational structure of the Cocoa farmer group in Pohuwato District, the group management has been elected, accompanied by the division of tasks and responsibilities of each group administrator. Revitalizing the institutional management function of the cocoa farmer group can be done by strengthening the roles and functions of the farmer group management (revitalizing people), the technology used (revitalizing technology), the process of farmer group management (revitalizing the process), and structuring the organizational structure of the farmer group (revitalizing the structure organization).

However, the placement of personnel (people) in the organizational structure is not in accordance with the field or capacity of people/administrators chosen by the group. This results in the improvement of farmer group management not being maximized especially in the division of tasks and functions that must be carried out by the management in the activities of farmer groups.

Based on the explanation above, it can be concluded that the revitalization of the farmer group institutional management function is one of the strategies that can be done to strengthen the cocoa farmer group institutions. Forms of revitalization that can be done include revitalizing the management function (management of farmer groups) and revitalizing the organizational structure of farmer groups. With this strategy, it is expected that farmer groups will be stronger and more independent, so that it can encourage an increase in the income of the farming community in Pohuwato Regency.

3.1.2. Increased capacity of farmer resources

Farmers must handle cocoa beans at the farm level. This activity is to ensure product quality. In addition, this activity is also to prevent contamination of insects, fungi and dirt. [11] The role of resources in both natural resources (SDA) and human resources (HR) in public policy is crucial. The results showed that one of the factors that determine the success rate of institutional strengthening of farmer groups is the factor of human

resources (farmers). Farmers are an important element in the public policy process, so the presence of farmers needs to be considered. Cocoa-growing relies on a high input of labor [12].

The reality found farmers' resources owned by farmer groups do not have sufficient knowledge and skills to support the progress of their farmer groups, for that training can be carried out, including:

- Aspects of production technology are training on improving cocoa plantation cultivation techniques, organic fertilizer application techniques, so it is expected that cocoa production results will increase.
- Aspects of crop protection are training on pest and plant disease control through the provision of organic / vegetable pesticides.
- The results of processing aspects are training on cocoa fermentation efforts so that the quality of cocoa is getting better, and training on processing techniques for producing cocoa from random cacao to semi-finished cacao (powder or chocolate bar).

With efforts to increase the capacity of farmers' resources, it is hoped that farmers will be more independent and able to develop group activities that can encourage increased production and quality of cocoa so that the income of farmers will increase.

3.1.3. Development of business partnerships between entrepreneurs and cocoa farmers

Efforts to increase the income of cocoa farming communities in Pohuwato Regency can also be done by developing a partnership pattern between entrepreneurs (collectors/exporters) and cocoa farmers. The partnership pattern that has been implemented so far does not take into account the interests of both parties (entrepreneurs and farmers). A glaring gap in the documentation of arrangements between landowners and tenant farmers (both sharecroppers and caretakers) [13].

The practice of partnership has not been based on a joint commitment between entrepreneurs and cocoa farmers. This has an impact on the lack of protection of the rights of cocoa farmers, which is caused by unilateral actions taken by cocoa entrepreneurs (traders). This phenomenon can be seen from the dominance of entrepreneurs in setting the base price of Cocoa which is still far from the prices prevailing in the local and world markets.

Strengthening group institutions through the development of marketing distribution channels can rely on the capacity of farmers' resources (farmer group management) with an online marketing system. The use of online marketing at this time has become one of the best marketing techniques, where producers (farmers) can directly upload the types of products sold, specifications and levels of buying/selling prices of commodities being marketed. Transactions conducted with online marketing are more effective and profitable for farmers so that their income increases as well.

The use of online marketing at this time has become one of the best marketing techniques, where producers can directly upload the types of products sold, specifications, and the price of buying / selling the commodities being marketed. This allows farmer groups to be able to organize their groups, especially in collecting and selling cocoa products from their farmer groups and other farmers, so that they are expected to get the right price from buyers from anywhere both from outside the region and from abroad. This is done as a form of developing partnerships between national and international entrepreneurs and cocoa farmers, so it is expected that the level of income and welfare of cocoa farmers will increase.

Thus, it can be concluded that the development of a partnership between entrepreneurs and cocoa farmers is one of the strategies that can be used to strengthen the institution of cocoa farmer groups, which is expected to create a harmonious relationship between cocoa entrepreneurs and farmers, especially in setting the basic price of cocoa. Besides that, the form of partnership relationship can also be done through online marketing, where cocoa entrepreneurs and farmers can interact directly in the marketing of cocoa produced by farmers. Online marketing will also open up opportunities for cocoa farmers to market their products abroad without any pressure from entrepreneurs/middlemen who have dominated cocoa prices at the farm level, especially cocoa from Pohuwato district.

3.1.4. Pioneering (formation) of social-economic institutions of the Cocoa farmer groups

To streamline the activities of the cocoa farmer groups, the revitalization of the group institutional management function can be directed at the formation of the social-economic institutions of the farmer groups. Socio-economic institutions can take the form of Village-Owned Enterprises (BUMDes) and Farmers Cooperatives (Koptan) that manage the production of Cocoa from all group members. Farmer institutions have a strategic point (entry point) in moving the agribusiness system in rural areas. [14]

The formation of this institution is one of the realizations of efforts to revitalize the farmer group's institutional management function, where the farmer group management is reactivated to manage and market the production results of farmer group members. This is an effort to guarantee the basic price of cocoa at the farm level and is expected to increase the income of cocoa farmers in Pohuwato Regency.

In handling the cocoa production that has been carried out by the farmer group, the farmer group management has played its role as a marketing distributor of the cocoa production from members of the group. The farmer group has tried to collect the results of cocoa production from each group member through UPH and collectively sell cocoa products. This indicates that the group administrators have pioneered the formation of socio-economic institutions such as the Koperasi Tani (Koptan) or the Village-Owned Budan (BUMDes) which is one of the institutions formed independently by the Cocoa farmer group.

The establishment of BUMDes or Koperasi Tani is a form of a socio-economic institution formed at the initiative of the local community and developed by group management so that its existence functions as a container that can accommodate and distribute the results of Cocoa production from members of farmer groups. However, the pioneering BUMDes or Koptan institutions do not include all farmer groups in these two sub-districts. There are still groups of farmers and members who choose to sell directly the results of cocoa production to traders/middlemen who come to the location of cocoa plantations. Therefore, assistance is urgently needed to establish a pioneering formation of socioeconomic institutions such as BUMDes or Koptan that is driven by farmer group management, so that the production of Cocoa products from farmer groups in all districts which are used as Cocoa development centers in Pohuwato Regency can be managed and marketed properly. In the sense that the results of the production of Cocoa can be managed and marketed by the management of farmer groups through BUMDes or Cocoa Cooperatives.

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Thus, it can be concluded that one of the strategies that can be used to strengthen the institutional cocoa farmer groups is to make pioneers (form) socio-economic institutions such as BUMDes or Cocoa Koptan. This institution is an institution formed and managed by the farmer group, where the farmer group management is the manager of the BUMDes or Koptan who has the responsibility to collect and sell the cocoa production from

members of the cocoa farmer group. This is an effort to guarantee the basic price of cocoa at the farm level and is expected to increase the income of cocoa farmers in Pohuwato Regency.

3.2. Implementation of Institutional Strengthening Strategies for Cocoa Farmer Groups in the Context of Increasing the Income of Cocoa Farming Communities

Implementation in public policy is the most decisive stage, where at this stage it can be seen whether the previously formulated policy is suitable or not with the conditions of the community and the implementer who is an important actor in the public policy.

Successful implementation of the policy or program can also be assessed based on the implementation process (process perspective) and the results achieved (results perspective) [13]. The implementation of institutional strengthening strategies for cocoa farmer groups is a series of stages implemented to strengthen farmer group institutions so that it is expected to increase the income of farming communities. This revenue increase is very appropriate if done by the local government by developing leading commodities such as cocoa. Consumption of cocoa in chocolate products is strongly correlated with the economic development of a region [16].

Cocoa is of significant economic importance both for producing and consuming countries [17]. Cocoa is of vital importance to the economies of the producing countries [18]. Indonesia is one of the countries in the world that controls most strategic agricultural commodities. These commodities such as sugar cane, coffee, palm oil, cocoa, and others. However, Indonesia does not get added value from this commodity [10]. Therefore, the results of agricultural commodities must be enjoyed by the farming community as much as possible which is supported by an appropriate institutional strengthening strategy of farmer groups. Increasing the income of cocoa farmers is one indicator of the success of the implementation of a strategy to strengthen farmer group institutions in Pohuwato District, Gorontalo Province.

4. Conclusion

Strategies for strengthening institutional cocoa farmer groups, among others through revitalizing the institutional management function, increasing the capacity of farmers' resources, developing business partnerships between entrepreneurs and farmers, and pioneering the formation of socio-economic institutions. The implementation of the strategy to strengthen institutional Cocoa farmer groups is carried out to increase the income of the Cocoa farming community together with stakeholders and related agencies

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