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DEVELOPING RURAL AGRIBUSINESS IN SUMBAWA REGENCY, INDONESIA

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Abstract

The regency of Sumbawa, Indonesia, has been developing agribusiness, through, among others the program called ‘PUAP’ (*Pengembangan Usaha Agribusiness Perdesaan*, Enterprise development for rural agribusiness), which approaches reducing poverty through empowerment of the targeted community. This paper describes the current condition of the program, highlights its challenges, and recommends strategies for improving the running of business in the regency. This study uses data from primary and secondary sources, with particular focus on the study aims. Both secondary and primary data are then analyzed accordingly to provide meanings or explanations, from which strategies for improving agribusiness performance are formulated. This study concludes that the program of PUAP has been implemented in Sumbawa Regency since 2008 with distributed of fund more than Rp 13 milyar to 132 farmer group unions. The fund has since then developed to more than Rp 15 milyar in 2016, giving a sign of progress. However, there are some problems occurred in several farmer group unions due to improper behavior of union management and farmer members. Therefore, corrections should be taken or directed to the management of the unions and farmer members, particularly to create awareness of the important of making farmer group unions operate in sustainable way.

Keywords: Agribusiness, Business development, Community empowerment, Poverty alleviation, PUAP, Sumbawa Regency

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