

PROGRAMME BOOK

The 4TH INTERNATIONAL SEMINAR  
OF REGIONAL NETWORK  
ON POVERTY ERADICATION

23 - 25 OCTOBER 2013  
UNIVERSITI MALAYSIA KELANTAN  
JELI CAMPUS, MALAYSIA

RENPER 4



Universiti Malaysia  
KELANTAN



RENPER  
REGIONAL NETWORK ON POVERTY ERADICATION

## PRESENTATION SCHEDULE

23 OCTOBER 2013 (WEDNESDAY)

### SESSION 1

Chairperson : Dr. Md. Shafiqur Rahman  
Rapporteur : Hasifah Abdul Aziz

Time	Titles
0.50 – 11.20	Plenary Paper: <b>Closed Farming System: An Alternative Poverty Eradication in Kabupaten Rejang Lebong, Bengkulu Province, Indonesia</b> <i>Sigit Sudjarmiko, Mohammad Chozin, Zainal Mukhtar &amp; Nanik Setyowati</i>
1.20 – 11.40	<b>Farming Snakeskin Gourami, <i>Trichogaster pectoralis</i>, as a Poverty Eradication Tool</b> <i>Lee Seong Wei, Salleh Kamarudin &amp; Mustaqim Md Tajudin</i>
11.40 – 12.00	<b>The Importance of Integrated Small Ruminant: Oil Palm System for Poverty Alleviation in Bengkulu Province, Indonesia</b> <i>Dwatmadji &amp; Tatik Suteky</i>
12.00 – 12.20	<b>An Overview of Poverty Eradication through Entrepreneurship Development in Aquaculture Industry of Red Tilapia</b> <i>Kassim Buhiran &amp; Lee Seong Wei</i>
12.20 – 12.40	<b>Influence of Local Leadership in Poverty Eradication Among The Orang Asli Communities in the State of Terengganu, Malaysia</b> <i>Ramle Abdullah, Mohamad Hafis Amat Simin &amp; Asmawi Ibrahim</i>
12.40 – 13.00	<b>Small Organic Fertilizer Factory Promotion in Rural Community of Northeast Thailand: Poverty Reduction and Toward to Sustainable Agricultural Development</b> <i>Phassakon Nuntapanich</i>

## The 4<sup>th</sup> International Seminar of Regional Network on Poverty Eradication

### TABLE OF CONTENTS

<b>Organizing Committee</b>	3
<b>Messages</b>	5
<b>Programme</b>	8
<b>Summary</b>	15
<b>Session 1</b>	
<i>Plenary Paper:</i>	16
Closed Farming System: An Alternative Poverty Eradication in Kabupaten Rejang Lebong, Bengkulu Province, Indonesia	
Farming Snakeskin Gourami, <i>Trichogaster pectoralis</i> , as a Poverty Eradication Tool	16
The Importance of Integrated Small Ruminant: Oil Palm System for Poverty Alleviation in Bengkulu Province, Indonesia	17
An Overview of Poverty Eradication through Entrepreneurship Development in Aquaculture Industry of Red Tilapia	17
Influence of Local Leadership in Poverty Eradication among the Orang Asli Communities in the State of Terengganu, Malaysia	18
Small Organic Fertilizer Factory Promotion in Rural Community of Northeast Thailand: Poverty Reduction and Toward to Sustainable Agricultural Development	18
<b>Session 2</b>	
<i>Plenary Paper:</i>	19
Policy, Welfare and Governance: A Case Study of MGNREGA in India. Where is the Interface?	
Enforcement of Minimum Wage Policy in Malaysia for Poverty Eradication: A Myth or Reality?	20
The Role of Government on Developing Agricultural Insurance Market in Vietnam	21
Assessment on Public Housing Programs in Alleviating Urban Poverty and Improving the Quality of Life amongst the Urban Poor	21
Minimum Standard on Public Service: Case on Health Service in Kepahiang District, Indonesia	22
Employing the Rectangle Strategy to Alleviate Poverty in Cambodia	22
Income Valuation of Rubbish Collectors from the Garbage Dump Sites in Kelantan, Malaysia	23
<b>Session 3</b>	
<i>Plenary Paper:</i>	24
Corruption Intensify Poverty	
Poverty Mapping and Characteristics of The Vulnerable Poor in Kelantan, Malaysia	24

## THE IMPORTANCE OF INTEGRATED SMALL RUMINANT – OIL PALM SYSTEM FOR POVERTY ALLEVIATION IN BENGKULU PROVINCE, INDONESIA.

BY:

**Dwatmadji and Tatik Suteky**

Department of Animal Science, Faculty of Agriculture, University of Bengkulu.

Address: Jalan WR Supratman, Kandanglimun, Bengkulu. 38371. INDONESIA.

E-Mail [Dwatmadji.2008@yahoo.com](mailto:Dwatmadji.2008@yahoo.com).

### ABSTRACT

The importance of small ruminants has been highlight as they can provide meat, fertilizer, cash income, and deposits. The poverty line in Indonesia remains high (12%) this year, while in the same time the total area of Indonesian oil palm has been steadily increasing throughout the year that reached almost 9.1 million ha this year. It is very prospective to use the free and available land under the oil palm plantation, especially under small scale private plantations, for grazing and providing small ruminant feed. Small ruminant, local goat and sheep, has been introduced recently to be integrated with the oil palm system. As most of the property of private own oil palm plantation in Bengkulu is relatively small (average of 2.4 hectare/farm, ranging from 1.21 up to 5.21 hectare/farm), and have limited access of bank credit, knowledge, and skills, the introduction of small ruminant is the oil palm area was preferable, compared with the big ruminant, especially cattle. This paper highlight the poverty situation in Bengkulu province, and the way the integrated small ruminant-oil palm system can alleviate the provincial poverty condition. The most popular local Indonesian Kacang goat has more advantages compared with the others local sheep (Fat Tail sheep, Thin Tail sheep, Garut sheep) or even other bigger goat (Ettawa, and PE – *Peranakan/Crossed Etawa*).

Keywords: Small ruminant, poverty alleviation, Indonesia

### INTRODUCTION

It is believed that poverty reduction is sensitive issue while it is one of the Indonesia development success stories. The Indonesian poverty rate has declined from 40.1% in 1976

to 17.7% in 1996 (Satriawan, 2013). The current poverty status in Indonesia is 12%, which showed a continuing decline since 2006 (World Bank, 2012). The decline was due to the Indonesia government initiative macroeconomic program (Sutiyo and Maharjan, 2011) and various poverty alleviation programs, which include *Inpres Desa Tertinggal/IDT* (Backward Village Program /Development for Remote Villages), *Pembangunan Keluarga Sejahtera/PKS* (Welfare Household Development), *Proyek Pembangunan Prasarana Pendukung Desa Tertinggal/P3DT*, (Development of Infrastructures Supporting Remote Villages), *Proyek Peningkatan Pendapatan Petani dan Nelayan Kecil P4K* (Small Farmers Income Improvement Project), and other related programs (Yusdja *et al.*, 2003; Suryahadi *et al.*, 2010). Those efforts have been recognized, especially by FAO, successfully reduced poverty from 54.2 million people in 1976 to only 22,5 million people in 1996. At current situation, Indonesia has continued to minimize the poverty condition through Reducing Poor Household's (Expenditures *Rice for Poor - Raskin*, *Community Health Security - Jamkesmas*, *Conditional Cash Transfers/CCT* or *Program Keluarga Harapan/PKH*), Enhancing Community's Livelihood (*Self-Help Community Empowerment National Program - PNPM Mandiri*), and Enhancing Community's Savings and SMEs (*Credit for SMEs*) (MOSA, 2013; Satriawan, 2013). The huge efforts have to be continued if Indonesia wants to be emerging developed world in the near future. It is believed that most of Indonesia poor was predominantly (60%) lives on agricultural activities, including food crops agriculture, forestry, fisheries, and livestock.

Indonesia is now the leading supplier for an oil palm global market (Worldwatch Institute 2013), which has oil palm area approximately 9.14 million hectare and estimated to produce 24.3 million ton of CPO (Direktorat Jenderal Perkebunan, 2013). The area is believed to be substantially increased in the near future as the government will allocated more land for the oil plantation. It was estimated that the current available area could accommodate at least an additional 4.5 million cattle or 31.9 million goats/sheep.

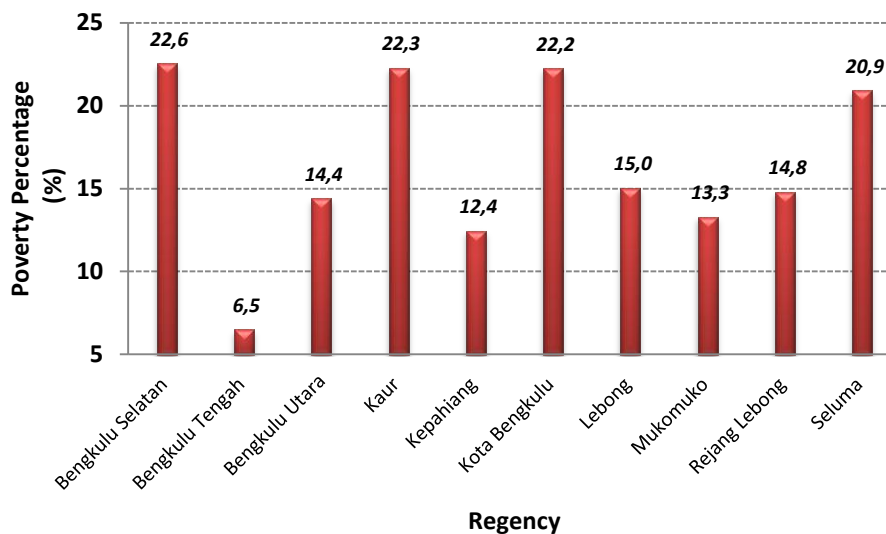
## BENGKULU PROVINCE: ITS POVERTY AND OIL PALM



**Figure 1.** Map of Bengkulu province.

Located in South-West Sumatra Island, the size of Bengkulu province is 1.978.870 ha, consisting of 696.924 ha national park, 444.882 ha conservation zone, and 1.281.946 ha used land. (BPS Bengkulu Province, 2013)

Among the existing 33 provinces in Indonesia, Bengkulu Province has higher poverty line (17.4%) (BPS Bengkulu Province, 2013) than that of the average national status of 12%. Nine out of ten regencies (9/10 or 90%) has significantly higher than national indicator, in which only one regency (Bengkulu Tengah) has lower poverty line (6.5%) (Figure 2). This data indicating that all regency has to take seriously the poverty eradication program.

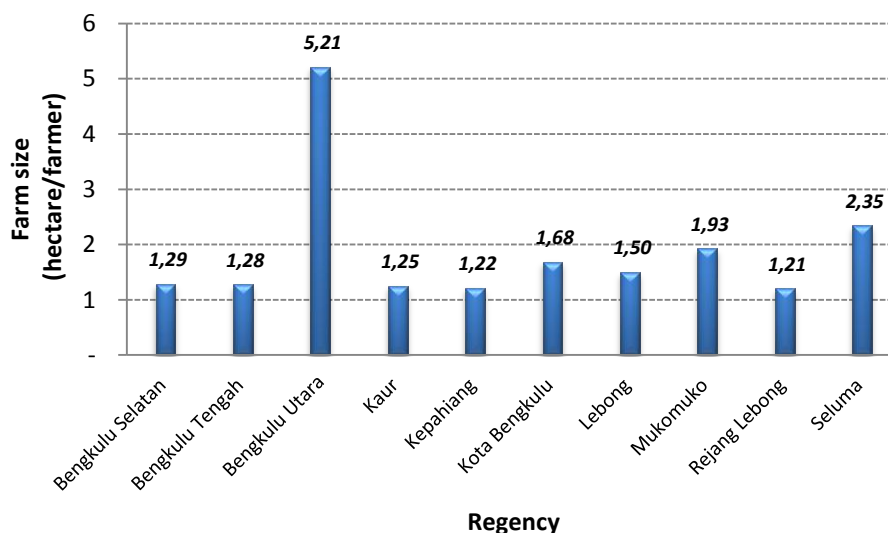


**Figure 2.** Poverty percentage of Bengkulu Province based on regency data (BPS Bengkulu Province, 2012).

As most of the Indonesian oil palm area is located in Sumatra (80%), most province in Sumatra Island should consider the use of free oil palm area for rearing livestock, in which ruminant (cattle, goat, and sheep), can be effectively kept for grazing. This includes the Bengkulu Province in which mostly consisted of small scale private oil palm ownership. Total

oil palm farm size in Bengkulu Province is approximately 2.4 hectare/farm, ranging from 1.21 up to 5.21 hectare/farm (see Figure 3) (BPS Bengkulu Province, 2012). However, only two regencies having more than 2 hectare/farmer indicating that it is almost impossible to raise big ruminant (cattle) efficiently. Small ruminant, namely goat or sheep, would be the only option for this farm size.

According Uriarte (2008) agriculture remains a significant sector of economy for sustainable development and poverty reduction. In addition, the importance of livestock in alleviating poverty has been known elsewhere (Millar and Photakoun, 2008; Khan and Mokhtar, 2011; Holman *et al.*, 2005). According to Millar and Photakoun (2008) livestock production could reduce poverty and it depends on farmer access to feed resource, land, labour, disease management strategies and reliable market.



**Figure 3.** Oil palm plantation size (hectare/farmer) in Bengkulu Province based on regency data (BPS Bengkulu Province, 2012).

### INTEGRATED SMALL RUMINANT-OIL PALM SYSTEM

As the oil palm industries is still booming in Indonesia, mostly small scale private plantation, the integration of small ruminant in the oil palm system would be of most importance. Dwatmadji *et al.* (2005 and 2009) found at least 31 forages (grasses, legume, broadleaves, fern and others) under oil palm potentially used as animal feed. There several benefits of integrating small ruminant for the oil palm system (Hart, 2001; Devendra, 2007), including:

- Low capital investment,
- Reducing cost of weeding,
- Providing the natural (manure/feces) fertilizer, therefore reducing chemical fertilizer,
- Improving additional income and live savings, especially when the price of FFB (Fresh Fruit Bunch) drops,
- Providing meat for the family,
- Providing quick cash if needed by selling livestock, especially when the price of fresh fruit brunch decline
- Utilizing oil palm by product and waste (Palm Kernel Cake, POME, frond)
- Controlling unwanted brush and invasive species
- Optimizing land use.

Based on research conducted in Bengkulu Province, the people tends to prefer local Kacang goat compared with other bigger goat breed, namely introduced Boer goat or Etawa goat. Also farmer prefer Kacang goat compared with other local available Indonesian sheep (*Domba Ekor Gemuk* or Fat Tail sheep, *Domba Ekor Tipis* or Thin Tail sheep, and Garut sheep – Merino and local sheep cross). Sheep is also not popular among Bengkulu Province as people has been advised by local livestock officer not to keep sheep with indigenous Bali cattle, as it would transmitted MCF (*Malagant Catharal Fever*) disease.

The common problem in Integrated small ruminant-oil palm system in Bengkulu Province is that goat, compared to sheep, become more susceptible to infestation of gastrointestinal parasite especially *Haemonchus contortus*. According to Kaplan (2004) gastrointestinal parasite infestation are characteristic of pastoral grazing. *Haemonchus contortus* infestation in goat causes significant production losses and high mortality rate. Our research (Suteky and Dwatmadji, 2009) showed that mortality rate of goat due to *Haemonchus contortus* infestation reach 66.7%. Our findings also showed that broad leaf plant commonly browse by sheep (*Melastoma malabatricum*, *Urena lobata* and *Ficus sp.*) showed anthelmintic activity *in vitro* (Suteky and Dwatmadji, 2011a). *In vivo* study of crude aqueous extract of *Melastoma malabatricum* showed anthelmintic activity in goat infected *Haemonchus contortus* (Suteky and Dwatmadji, 2011b). However, further study is still needed to examine the bioactive compound of *Melastoma malabatricum* and its doses to animal.

The other important factor influencing the productivity of animals grazed on pastured is stocking rate (Muir, 2006). Stocking rate can be calculated based on animal number per hectare or on the basis of Animal Unit Equivalent (AUE)/hectare. Our research (Suteky and Dwatmadji, 2012) on the performance of goat grazed on oil palm plantation based on AUE indicated that AUE had significant effect ( $P < 0.05$ ) on average daily gain .

The other problem in Integrating small ruminant-oil palm system of which could also happened in other province would be security reason (stealing, predator: mostly dog, and goat identification), fencing, and knowledge and skill of the farmer. The University of Bengkulu has been empowered the farmer through occasional public services and farmer-need research.

## CONCLUSION

The importance of Integrated Small Ruminant – Oil Palm System can be used for poverty alleviation especially under oil palm (rural) plantations where small scale farm are exist. Some advantages of the system has been mentioned, including low capital investment, reducing weeding cost, providing the natural fertilizer, improving income and live savings, providing meat, providing quick cash, and optimizing land use. The system should involve a closed attention on the incidence of gastro intestinal parasite especially *Haemonchus contortus* as Kacang Goat at Bengkulu Province are susceptible to this parasite. The function of public extension by university staff would be beneficial to the farmer.

## REFERENCE

- Badan Pusat Statistik (BPS) Bengkulu Province. 2012. Year Book of 2012.
- Badan Pusat Statistik (BPS) Provinsi Bengkulu. 2013. Profil Kemiskinan di Provinsi Bengkulu Maret 2013. Berita Resmi Statistik No. 34/07/17/Th.VII, 1 Juli 2013.
- Devendra C. 2007. Integrated tree crops –ruminant systems: potential importance of the oil palm. Outlook on Agriculture. 33:157-166.

- Direktorat Jenderal Perkebunan, Kementerian Pertanian. 2013. Perkembangan Luas Areal Perkebunan 2008 – 2013. Available at: [http://ditjenbun.deptan.go.id/tinymcpuk/gambar/file/Luas\\_Areal\\_Estimasi\\_2013.pdf](http://ditjenbun.deptan.go.id/tinymcpuk/gambar/file/Luas_Areal_Estimasi_2013.pdf).
- Dwatmadji, T Suteky dan E Soetrisno. 2005. Multi peran Sapi Bali Pada Sistem Agro-Farming Kelapa Sawit (*Elaeis guineensis*). Laporan hasil penelitian Hibah Bersaing Tahun 1.
- Dwatmadji, T Suteky dan E Soetrisno, 2009. Grazing rotasi pastura alami untuk sapi Bali di areal perkebunan sawit (*Elaeis guineensis*) untuk mendukung Sistem Integrasi Sawit-Ternak (SISNAK) di Bengkulu. Laporan Hasil Penelitian Strategis Nasional
- Hart SP. 2001. Recent Perspectives in using goats for vegetation management in the USA. *Journal Dairy Science* 84 (E. Suppl):E170-E176.
- Holmann F, L Rivas, N Urbina, B Rivera, L A Giraldo, S Guzman, M Martinez, A Medina and G Ramirez. 2005. The role of livestock in poverty alleviation: An analysis of Colombia. *Livestock Research for Rural Development* 17 (1). Available at <http://www.lrrd.org/lrrd17/1/holm17011.htm>
- Kaplan RM. 2004. Drug resistance in nematodes of veterinary importance: a status report. *Trends in Vet. Parasitol.* 20, 477-481.
- Khan MA and M Mokhtar. 2011. Livestock as a Means for Poverty Reduction in Malaysia. *Proceeding The Second International Seminar of Regional Network on Poverty Eradication.*
- Millar J and V Photakoun. 2008. Livestock Development and poverty alleviation: resolution or evolution for uplands livelihoods in Lao PDR?. *International Journal of Agriculture Sustainability* 6(1):89-102.
- Ministry of Social Affair of Republic Indonesia (MOSA). 2013. Poverty Alleviation in Indonesia. Paper presented to First Meeting of Poverty Alleviation Working Group of COMCEV Member Countries. Ankara Turkey 27 Juni 2013.
- Muir JP. 2006. Stocking Rates on Cultivated Winter Pastures for Meat Goats. *Sheep and Goat Research Journal* 21:6-11
- Satriawan E. 2013. Poverty alleviation in Indonesia: Challenges and current reforms. National Team for the Acceleration of Poverty Reduction, Vice President Office –

Republic of Indonesia . International Conference on “Poverty and Inequality in Asia”, Bali ,7-9 May 2013.

- Suryahadi A, A Yumma, UR Raya, and D Marbun. 2010. Review of Government’s Poverty Reduction, Strategies, Policies and Programs in Indonesia, Research Report. The SMERU Research Institute, Jakarta.
- Suteky T and Dwatmadji. 2009. Infestasi *Haemonchus sp* pada sistem co-grazing ruminansia kecil di pastura alami lahan sawit untuk mendukung integrasi sawit-ternak di Bengkulu. Laporan Hibah Kompetitif Penelitian Sesuai Prioritas Nasional, Universitas Bengkulu, Bengkulu.
- Suteky T and Dwatmadji 2011a. Suplementasi pakan dengan fortifikasi anthelmentika alami untuk mengatasi infestasi *Haemonchus sp* dalam rangka mendukung sistem integrasi sawit ternak di Bengkulu. Laporan Hibah Penelitian Strategis Nasional, Universitas Bengkulu, Bengkulu.
- Suteky T and Dwatmadji. 2011b. Anthelmintic Activity of *Melastoma Malabatricum* Extract on *Haemonchus Contortus* in vitro. Asian Journal of Pharmaceutical and Clinical Research. Vol 4 Supplement 1:68-70
- Suteky T and Dwatmadji. 2012. Performance of sheep and goat with rotational grazing under oil palm plantation based on Animal Unit Equivalent (AUE) (International Conference on Sustainable Agriculture and Food Security: Challenges and Opportunities (ICSAFS 2012)-Bandung)
- Sutiyo and KL Maharjan. 2011. Rural Poverty Alleviation in Indonesia: Program and the Implementation Gap. Journal of International Development and Cooperation 18(1):13-22
- Upton M. 2004. The Role of Livestock in Economic Development and Poverty Reduction. on. Pro-Poor Livestock Policy Initiatives (PPLPI) Working Paper No. 10. FAO
- Uriarte FA. 2009. Poverty Alleviation Initiatives of the ASEAN Foundation. With funding support from the Government of Japan ASEAN Foundation (Japan-ASEAN Solidarity Fund).

World Bank. 2012. Targeting poor and vulnerable households in Indonesia. The World Bank, Jakarta Office.

Worldwatch Institute. 2013. Global palm oil demand fueling deforestation. Available at:  
[HTTP://WWW.WORLDPWATCH.ORG/NODE/6059](http://www.worldwatch.org/node/6059)

Yusdja Y, E Basuno, M Ariani, TB. Purwantini. 2003. Kebijakan Sistem Usaha Pertanian dan Program Kemiskinan Dalam Mendukung Pengentasan Kemiskinan Petani. Laporan Penelitian Pusat Penelitian dan Pengembangan Sosial Ekonomi Pertanian bekerjasama dengan Proyek Pengkajian Teknologi Pertanian Partisipatif (PAATP). Bogor.

RENPER<sup>4</sup>



**This is to certify that**

**DWATMADJI**

**Has participated in  
The 4th International Seminar of  
Regional Network on Poverty Eradication**

**As**

**ORAL PRESENTER**

**23-25 October 2013**

**Universiti Malaysia Kelantan,  
Jeli Campus,  
Malaysia.**

---

**Prof. Dr. Hj. Ibrahim Che Omar**  
D. Eng., PSK, JMN, FASc.  
Campus Director,  
Universiti Malaysia Kelantan,  
Jeli Campus.



