



International
Labour
Organization

Project Brief

Decent Work for Food Security and Sustainable Rural Development (DW4FS) in Nusa Tenggara Timur



Development Objective

Promote food security and sustainable poverty reduction of rural communities in the most vulnerable and disadvantaged districts of Indonesia's NTT province, through increased labour productivity, enhanced employment opportunities that comply with the principles of decent work, and expanding entrepreneurial opportunities in key agro-food value chains – particularly maize, seaweed and livestock – with high employment and income generation potential.

Key Partners

- Food and Agriculture Organization of the United Nations (FAO)
- Ministry of Manpower and Transmigration
- Ministry of Village, Disadvantaged Areas and Transmigration (KEMENDESAPDTT)
- Provincial and District Development Planning Agencies (BAPPEDA)
- Provincial and district department of marine Affairs and Fisheries
- Indonesian Agency for Agricultural Research and Development of the Ministry of Agriculture (BPTP)
- Provincial Food Security and Extension Office (BKPP)
- Provincial Trade Unions
- Provincial Employers' Organization
- National and local business service providers
- National Non- Government
- Local experts from Nusa Cendana University (UNDANA)

Duration

3 years (December 2013 – December 2016).

Geographical Coverage

Nusa Tenggara Timur Province, in the districts of Kupang, and initial scoping studies in Sumba Timur.

Implementing Agency

ILO Country Office – Jakarta

Donor

Luxemburg Agency for Development Cooperation & ILO

Budget

USD 1,273,699

Contact

Yunirwan Gah | Project Manager | yunirwan@ilo.org



corn. The selection of the three value chains – maize, livestock, and seaweed – as a focus of the programme was based on assessments carried out during the initial phase of the programme since 2011, taking into consideration the employment, income generation and productivity potential, as well as their impact on food security. The assessments included consultations and focus group discussions with local stakeholder and local and national governments.

Project Strategy

Project Background

Food and nutrition insecurity and limited decent employment opportunities represent serious challenges in Indonesia's **Nusa Tenggara Timur** (NTT) province, home to some of the nation's most isolated and vulnerable communities. NTT has over 4.5 million people. Approximately 80 per cent of its population is rural, and 65 per cent of them still lives below the national poverty line.

The rural poor often lack access to productive assets and markets, and thus depend on their labour to earn a living. However, local labour markets offer little in the way of gainful and decent employment opportunities. The unemployment rate in NTT is estimated at 30 per cent, which implies that a minimum of 1.4 million people do not have stable incomes and may therefore be more vulnerable to income shortfalls and food insecurity.

The vulnerability in NTT is even greater when considering those who work for low wages and under precarious or hazardous conditions. Persistent food insecurity, inadequate nutrition levels, a lack of decent employment opportunities, and a limited application of decent

work principles, are among the most serious obstacles preventing the NTT economy from becoming sufficiently vibrant and dynamic to sustain pathways of human, economic, and social development.

This situation is of great concern for the Indonesian government, particularly as NTT has consistently underperformed relative to other areas of the country.

The objective of the programme is to promote food security and sustainable poverty reduction of rural communities in the most vulnerable and disadvantaged districts of Indonesia's NTT province, through increased labour productivity, enhanced employment opportunities that comply with the principles of decent work, and expanding entrepreneurial opportunities in key agro-food value chains – particularly maize, seaweed and livestock – with high employment and income generation potential.

The programme has been implemented. The project was largely executed in Kupang District, and to a lesser extent, in East Sumba District, by focusing on three key local commodities, namely, seaweed, cattle, and

DW4FS-NTT programme acknowledged that rural poverty is a multi-dimensional issue, with causes ranging from weak institutions and conflict to natural resource degradation and climate change. It has used an integrated approach to address this multiplicity, so that members of local communities benefit from the improved functioning of key value chains and farming system, as a whole. In order to effectively reach the needs of the rural poor, the programme has focused particularly on promoting social and constructive dialogue among key stakeholders, as well as providing support, tailored to address the specific constraints faced by small-scale producers in the selected targeted area.

The DW4FS&SRD programme has been trying to address *decent work* challenges and deficits along three selected agricultural value chains (i.e., maize, seaweed and livestock) in Kupang district with a view to enhancing productivity, local competitiveness, and improving incomes and therefore livelihoods and food and nutrition security of farmers, agricultural workers and their families.

Project Outputs, Activities and Current Results

Activities and interventions during the project implementation has been structured mainly behind two core outputs:

Output 1:

A comprehensive strategy on DW4FS-NTT developed by the national and provincial policy makers and implemented for NTT to address decent work bottlenecks in selected agro- and aqua-based value chains, to enhance their impact on poverty reduction and food security, and to increase access to social protection for target community members.

Activities carried out under output 1:

The project had facilitated 4 in-depth value chain assessments at district (*kabupaten*) level on 3 selected commodities and the development of action plans that address decent work for food security deficits. The assessments were conducted through participatory process by engaging different stakeholders. In addition, the project facilitated the development of a *Masterplan of Cattle Development in Kupang District* that has been completed in July 2016. The masterplan explicitly incorporates decent work agenda in the development of cattle livestock in the district.

As part of the agreed value chain action plan in Kupang District, the project held 3 business meetings for 3 different commodities. The meetings allowed beneficiaries to practice social dialogue with other business actors along value chain, such as traders and financial institutions. The meetings usually ended with 'contracts' (gentlemen agreements) between farmer groups and buyers as well as

better connection with financial institution's services.

An awareness campaign of occupational safety and health in agriculture has been initiated by the project through the TOT for government officials and led farmers in facilitating a participatory work improvement in neighborhood development. A total of 4 trainers from National Ministry of Manpower office and 15 participants from province and district offices of manpower and agriculture department participated in the event.

Result:

- Kupang district government specifically animal husbandry department, and to large extent other related department in the district, including 161 villages able to have a synchronised and integrated plan of action to enhance productivity in cattle sectors as well as agriculture sector in general through a comprehensive Masterplan that have incorporated decent work and good animal husbandry practice.
- At least, 11 collective marketing groups consist of 5 to 10 farmers groups of 20 to 25 smallholders farmers have diverse market networking or agreements which offer more incentives as well as profit margin and have better understanding in developing ways to improve working condition.
- The workshop on occupational safety and health result has been used by the national ministry of manpower to be used in 1 national workshop in Lampung and tried in 2 villages; A supplement checklist for occupational safety and health in livestock and maize sectors have been

made and tried out in 4 villages.

Output 2:

Entrepreneurial capacity, employability, and the enhancement of skills of members of targeted communities. Opportunities are pursued by creating and improving businesses in the selected value chains, in related sectors of the local economy as well through opportunities for social businesses in the nutrition sphere.

Activities carried out under output 2:

- 20 Government officials, local NGO staff, and local entities have been equipped with ILO's tools on entrepreneurship development and financial institution. In addition, a total of 25 field facilitator of provincial government programme of village empowerment programme called ANGGUR MERAH Kupang District, and 20 districts government extension workers, local university and local NGO in Sumba Timur district has been equipped with tools as well know how to skills as facilitator for financial education.
- Business Service Development Providers Development 20 selected BDS has been trained with the new concept of Business Development Service which has market development approach which lasted for 4 days. content of this training were included about understanding of BDSP, how to make a business plan and financial planning, as well as introduced various

entrepreneurship development package and programme of the ILO. 4 of them were selected to carry out entrepreneurship capacity building for smallholder farmers groups.

- At the targeted village level, a collective marketing strategies were developed jointly with the community as part of trying out to link the farmers' groups with buyer at the district level and also province level. This collective marketing effort was a strategy that were developed by the community as one of the follow up of capacity building which include entrepreneurship training for 642 small holder farmers which combined with financial education and basic production improvement skills, and additional 134 seaweed farmers in Sumba Timur District has been trained on financial management.

Result:

- 10 local trading or joint collective marketing groups has been developing market information system and is updated regularly to farmers (contracted farmers and groups). This is the service provides to promote the facilitation to wider market and to encourage other farmers to join in the collective marketing mechanism.
- 5 cattle farmers groups consist of 20 individual cattle breeders are able to improve their businesses and have given access to credits above IDR 500 million due to better financial and business planning as well as management.
- All cattle farmers in the 4 targeted villages have been benefited from a



new mechanism of trading and have improved market transparency thanks to the dialogue process that have been facilitated by the project.

- 3 seaweed trading groups or joint collective trading groups have initiated new trading mechanism with the traders that able to increase their profit margin. In addition, local seaweed collectors, enjoy improved product quality which include efficient trading mechanism with smallholder's farmers.
- Approximately 350 smallholders corn farmers enjoys a better market certainty thanks to the contract that have been made by the local trading groups or joint collective marketing groups that have facilitated new market networking.
- 2 groups consist of 20 smallholders farmers in 1 village in Kairane and another 4 groups of cattle breeder consist of 25 smallholder farmers has pursue for a new business of developing local organic fertilizer and pesticide as new business opportunities for income generation.

- 5 local institutions has adopted the ILO tools to be implemented in their own entrepreneurship training activities. Up to date approximately, a total of 400 additional participants have been trained by these institutions. Cooperative training centre at the provincial level run by the cooperative department has allocated funds to trained more than 500 youth in the 2017 fiscal year and one university in Sumba Timur adopted the financial management tools as supplementary module for the students.

ILO Jakarta Office
 Menara Thamrin Level 22,
 Jl. M.H. Thamrin Kav. 3
 Jakarta 10250
 Tel. +62 21 391 3112;
 Fax. +62 21 3983 8959
 Email: jakarta@ilo.org;
 Website: www.ilo.org/jakarta