

Difference Income of Forest Farmers before and after the Distribution of Revolving Forestry Loan Funds

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ABSTRACT

The Wonogiri Regency served as the setting for this study. This study was done to find out how forest farmers' incomes differed before and after forestry cutting delay revolving funds were distributed. Purposive sampling was used to collect data from 46 PTT HR debtor questionnaires in Wonogiri Regency, Central Java Province, by conducting interviews with 91 PTT HR debtor respondents and completing the questionnaire's materials and information. The t-test was used for data analysis. According to the findings of the study, farmers' incomes. A value of 0.002 or 0.05 indicates this. These findings demonstrate that there is a significant difference in farmers' incomes before and following the disbursement of funds. This difference amounts to IDR 19,500,435, or an average increase of 81.32 percent between 2018 and 2020, with an average loan repayment success rate of 14.28 percent per year for an eight-year loan term. To increase the debtor's business income and ensure that they receive more effective benefits from both bureaucratic services and cooperation services with partners related to the debtor's business sector, service standards are required for both supervision and technical guidance. By continuing to utilize their business sector to increase productivity, Community Forest Farmer Debtors are anticipated to be able to maximize the utilization of revolving funds obtained through HR's revolving loan (PTT).

Keywords: Community forest farmers' income, the delaying of loans

INTRODUCTION

The significance of this research being conducted as a different strategy to stimulate farmers, particularly smallholder forest farmers. Farmers, particularly those who own community forest trees, have seen their way of life altered by Indonesia's economy up until this point. Smallholder forest farmer households' incomes are also affected by the pressure on global economic growth and its social and economic effects, especially in the agricultural sector.

According to data on population growth and social welfare, there is also a growing and diversifying demand for food products of various types and quality. As a result, increasing food diversity is one of the goals of the Ministry of Agriculture. This includes reducing the consumption of rice and wheat, which is offset by an increase in the consumption of tubers, animal foods, and fruits and vegetables. The Hopeful Food Pattern (PPH) score has increased from 82.3 in 2016 to 86.3 in 2020, indicating that efforts are being made to achieve diverse, nutritious, balanced, and safe food consumption patterns.

The sector as a whole, particularly the private forest farmers' economies. This is because the amount of household staple food supply has decreased as a result of decreased farm household income. Forest farmers, in particular, felt the effects of this decrease in income. Due to the limited farming land that is owned, expansion is carried out to plant teak wood to save money. Forest farmers make numerous efforts to meet their daily needs. (Hidayat et al., 2021), (Kholil & Aryani, 2021), (Safe'i et al., 2021), (Siompu & Bahasoan,

2022),

Similar studies have been conducted by several of researchers in a variety of nations to describe farmers’ efforts to deal with life’s challenges, such as in the Kerala region, South India (Menon & Schmidt-Vogt, 2022), Ghana (Afele et al., 2022), (Kuudaar et al., 2020), Thailand and Nepal(Giri, 2021), (Phimmavong et al., 2023). The research gap between this study and previous studies is in the farmer object that was studied. The strategies that farm households use to maintain the availability of household food include, among other things, doing side jobs, increasing the optimization of sales of farming products by a greater proportion, and looking for other sources of income. Teak forest farmers in institutional farmer groups in the Wonogiri district were the subjects of this study. They had been eligible for the Ministry of Environment and Forestry’s revolving loan for community forestry development (PTT HR) since 2018. In Muna Regency, Southeast Sulawesi, additional researchers conducted research on teak tree farmers. For past exploration, a few examinations connected with honey, oil palm, and different ranchers are introduced.

This examination was directed to depict the distinction in the pay of timberland ranchers when the advance was conceded.

METHODS OF THE RESEARCH

This study was carried out in the Wonogiri Regency. Descriptive research is used in this kind of research. According to (Daulay, 2023)., descriptive research aims to determine the value of an independent variable—either one or more independent variables—without making any comparisons or connections to other variables.

Purposive sampling of 91 PTT HR debtor respondents using interview techniques and the completion of the interview questionnaire tool’s materials and information to obtain the tool Complete 46 questionnaires for PTT HR debtors in the district of Wonogiri in the Central Java Province. In addition, a survey using tools and a tally sheet was used to measure 50 PTT HR guarantee trees that were randomly selected from each debtor to learn about the trees’ characteristics and growth as collateral for the debtor’s PTT HR. After the data are collected, they are processed and analyzed using Microsoft Excel and statistical methods using SPSS analysis tools to make statistical decisions about the differences in forest farmers’ incomes before and after loans are made.

Table 1. Variable Operationalization

| Variable | Operational definition | Indicator | Scale |
|---|---|---|-------|
| Farmer’s Income Prior Distribution of Funds | The minimum amount of income and assets of the line of business before distribution and/or proceeds from the use of funds | Income from Teak Business Types | Ratio |
| Farmer’s Income After Distribution of Funds | The minimum amount of income and business assets after the distribution and/or results of the use of funds | Income from Teak Business Types and side businesses | Ratio |

DISCUSSION

The topographical characteristics of the land in Wonogiri Regency vary with an altitude range of 9-115 meters above sea level and an average slope of less than 2% (BPS, 2018). Based on the agricultural census, there are 182,236.0236 Ha of land. Which consists of paddy fields, dry fields, forests, land for buildings/yards and land used for other purposes such as burial land and roads as well as various types of land cover in the form of soil to karst rocks.

Table.2. Forest potential based on its function in Wonogiri Regency

| No | Fungsi Hutan | Luas (Ha) | |
|---------------|-------------------------|------------------|------------------|
| | | 2012 | 2013 |
| 1 | Hutan lindung | 11.512,20 | 11.512,20 |
| 2 | Hutan produksi | 1.157,60 | 1.157,60 |
| 3 | Hutan produksi terbatas | 7.366,50 | 7.366,50 |
| 4 | Suaka cagar alam | 8,30 | 8,30 |
| 5 | Hutan suaka marga satwa | 0 | 0 |
| 6 | Hutan wisata | 0 | 0 |
| 7 | Hutan tujuan istimewa | 0 | 0 |
| 8 | Lain-lain | 0 | 0 |
| Jumlah | | 20.044,60 | 20.044,60 |

Source: Perum Perhutani BKPH Wonogiri (processed)

Table 3. Characteristics of PT THR debtors based on the type of work

| <u>PekerjaanUtama</u> | Frequency | % |
|---|-----------|-------|
| Valid Tani | 12 | 26,1 |
| Ternak | 3 | 6,5 |
| Tani.Ternak | 16 | 34,8 |
| Pedagang/jualbeli/wirusaha | 2 | 4,3 |
| Tani.Pedagang/jualbeli | 1 | 2,2 |
| Tani.Ternak. Pedagang/jualbeli | 2 | 4,3 |
| Karyawanperangkatdesa/Kepala Desa/PT/BadanUsaha | 9 | 19,6 |
| Lainnya(onfarm/offfarm/Kombinasi) | 1 | 2,2 |
| Total | 46 | 100,0 |

Source: Field Questionnaire 2022 (processed)

Table4. Characteristics of Debtors based on the Number of Trees Collateralized by PTT

| | Number of trees | Frequency | % |
|-------|-------------------|-----------|-------|
| Valid | 1-50 trees | 4 | 8.7 |
| | 51-100 trees | 13 | 28.3 |
| | 101-150 trees | 9 | 19.6 |
| | 151-200 trees | 8 | 17.4 |
| | 201 or more trees | 12 | 26.1 |
| | Total | 46 | 100.0 |

| Loan Fund | Levene's Test for Equality of Variances | t-test for Equality of Means | | |
|-----------|---|------------------------------|--------|-----------------|
| | F | Sig. | t | Sig. (2-tailed) |
| | 0,002 | 0,967 | -3,222 | 0,002 |

Source: Farmers Group PTT HR 2022 (processed)

Based on the analysis using the difference test (t test), It is known that the income of the PTT HR farmer business with results that the significance value of the t test shows a value of 0.002 < 0.05. Results This shows that there can be a significant difference in income between before and after receiving the distribution of funds.

The results of this kind of research were carried out in the context of farmers' efforts to survive during pandemic 19. Research with the same characteristics but differences in the fields worked on by farmers, among others, was carried out with discussions related to the Marketing of Klanceng Honey Bees (*Trigona sp.*) in Pagerwojo District, Tulungagung Regency (Winahyu et al., 2021), Improving the Skills of the Honey

Business of Wasp Farmers Alas Semeru (Fanani et al., 2020), FFB Production and CPO Sales Before and After the Pandemic (Daulay, 2023),

Revival of Agriculture Strategies to Maintain Staple Food Availability (Faatihah et al., 2021). Processing of Eucalyptus Leaves into Herbal Products as an Effort to Improve the Economy of Buluballea Forest Farming Groups (Abubakar et al., 2023)

Other research that supports the research that has been carried out includes the topics discussed, namely: Agroforestry Support in Food Production Through Social Forestry (Syahputra, 2021); Social Capital Partnership of Farmer Groups in Rarung Forest Areas During the COVID-19 Pandemic (Suparyana et al., 2022); Training on the Making and Utilization of Green Manure for Farmers Members of the Sumber Agung Forest Farming Group (KTH) Kemiling District, Province of Lampung (Santoso et al., 2022). , Articulation and Revitalization of Indigenous Peoples' Cultures (Study of Indigenous Peoples' Resilience) (Haq et al., 2022); The capacity of agroforestry and food crop systems for C stock and sequestration (case study on Saobi Island, Madura) (Mandasari et al., 2022);

Furthermore, other research that supports farmer efforts related to farmer resilience in dealing with the COVID-19 outbreak is related to Forms and Availability of Food from Private Forests to Support Food Security in Rural Areas (Hardjanto et al., 2022), the resilience system of complex agroforestry with albizia as the main stand in West Java (Utomo, 2020), Farmer Competence on Yield and Business Sustainability of Teak Community Forests in Muna District, Southeast Sulawesi (Musdi et al., 2021), and the Strength of System Coupling in Community Forest Development (Suhartati et al., 2020).

Based on the results of the research that has been conducted, the PTT HR revolving fund loan stimulus for farmers to increase their resistance to the COVID-19 outbreak greatly helps the economy through the income of the farmers' responsive households. The community forest farmers in the Wonogiri district use the loan funds to develop other productive businesses according to the capacities and abilities of farmers besides farming, such as investments other than farming such as raising goats or cattle. Another business opportunity in the form of a trading business has the potential to increase the income of PTT HR debtor farmers.

Revolving funds that have been channeled to debtors have been properly supervised and controlled by creditors as managers of government funds through direct surveys of PTT HR farmer debtors, taking into account the credit requirements in the notarized loan agreement that debtors must fulfill. This is a standard operating procedure that has been carried out since 2018 with the aim of being able to ensure and maintain revolving funds that can be returned by farmers within an agreed timeframe. Through the implementation of a loan fund system that is implemented properly, it will encourage an increase in the amount of loans from community forest farmers in the future. Based on the results of research that has been conducted, the average income of the HR farming business before receiving funds disbursement of Rp. 23,979,782 increased by Rp. 43,480,217, or there was an average difference of Rp. 19,500,435 or an average increase of 81.32% during the 2018–2020 period with an average loan repayment performance that was quite good. big 14, or 28% annually over a loan term of 8 years.

CONCLUSION

1. Socio-economic characteristics of farmers and patterns of land management for PTTHR debtors are generally people of productive age based on their business experience and male gender, the main job is as farmers as well as breeders, village employees, owning cattle or goats, the area of community forest land owned is quite large with the average income of farmers after PTT HR is greater with more diversification of productive business activities for debtors to increase the income of debtor HR farmers in Wonogiri district
2. There is a difference in the income of the HR farmer business sector, this is indicated by a value of $0.002 < 0.05$. These results indicate that there can be significant differences in income between before and after

receiving the distribution of funds. The difference in the average income of PTT HR farmer debtors is IDR 19,500,435 or an average increase of 81.32% after the distribution of revolving funds during the 2018 – 2020 period with a fairly good average loan repayment performance of 14.28% annually within a loan period of 8 years.

SUGGESTION

1. Service standards are needed both for supervision and technical guidance to increase the debtor's business income so that they get more effective benefits both through the process of bureaucratic services and cooperation services with partners related to the debtor's business sector.
2. The Community Forest Farmer Debtors are expected to be able to optimize the business of utilizing the revolving funds obtained through the HR revolving loan (PTT) by continuing to utilize their business fields to increase productivity, which has an impact on increasing their household income.

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