

Reflections on research-private sector partnerships for development impact in Eastern Indonesia

Liana Williams, CSIRO

Andrew Ash, Rob Caudwell, Michaela Cosijn, Andy Hall, Teddy Kristedi
CSIRO; Dahlanuddin, I Komang Damar Jaya – UNRAM; Joko Roesmanto
(ISRI); Hendrawan Soetanto – UNBRAW; Achmad Subagio – UNEJ

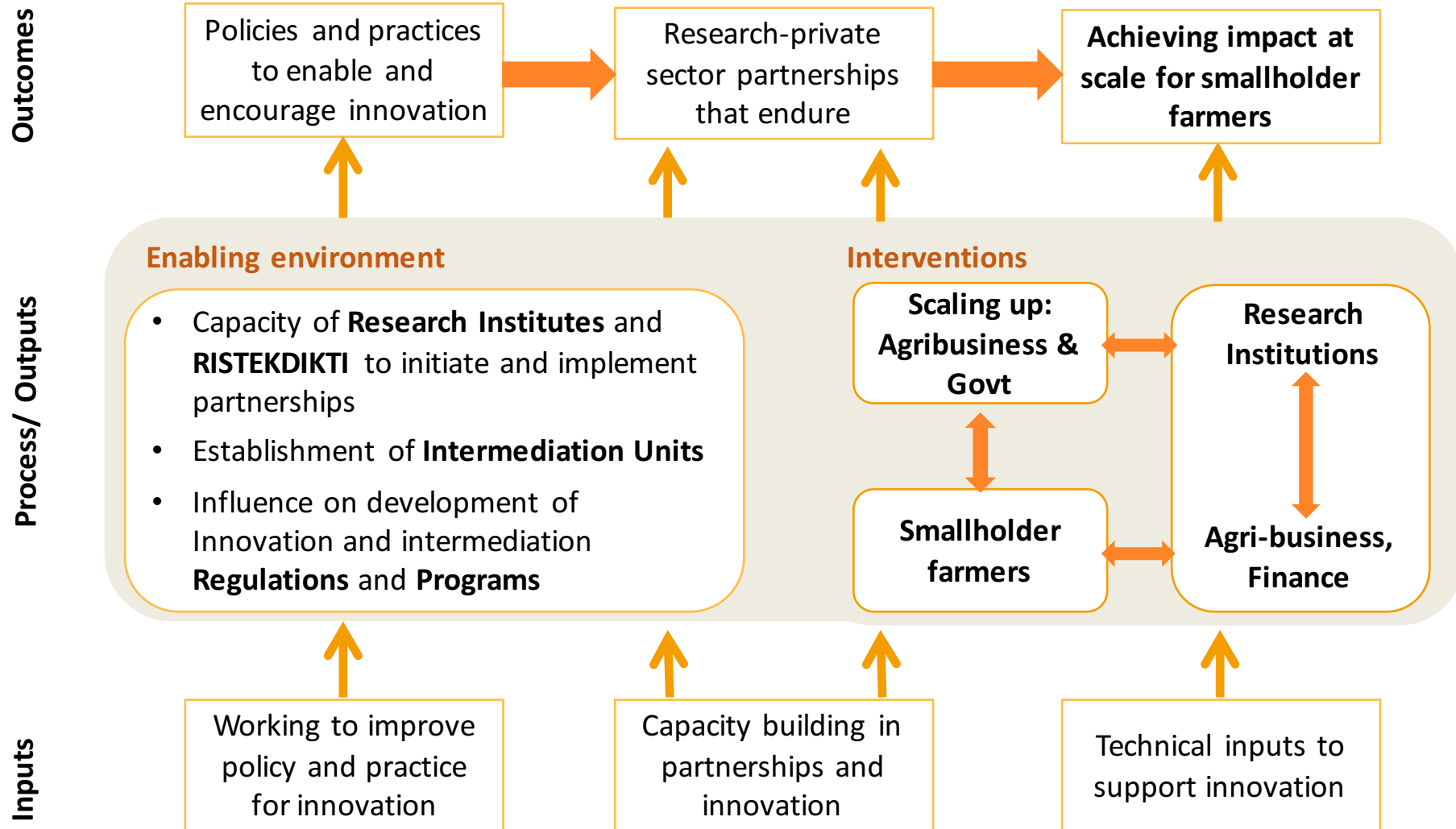


Australian Government
Department of Foreign Affairs and Trade



Photo: M. van Wensveen

ARISA theory of change



Context for RI and PS partnership

- Regional universities, + research institutes
- Limited experience or incentive to work with PS
- Community development focus – strong networks, trust
- Interest driven by potential for scale, impact, [and funding]



Photo: M van Wensveen

- Micro- and small enterprise 98.3 per cent companies (BPS, 2016)
- Value relationships RIs have with community → legitimacy and trust
- Increase product sales / profit

Role of government

- Strong role / involvement of government in Indonesia
- Interventionist policy approach – can play out well (maize) or poorly (beef)
- District government as gate keeper and traditional ‘scale out’ partner for many universities

→ Program philosophy did not encourage formal partnerships with the government as part of ARISA interventions

Partnerships

Sector, Location	Partners	Short description
Beef West Sumbawa and Sumbawa	University of Mataram* PEPEHANI Pt Dharma Raya Hutamajaya	Developing a profitable and sustainable beef production system in Sumbawa. Improving cattle feeding and management practices; linking farmers, traders and processors.
Maize East and North Lombok	University of Mataram* PT Syngenta Indonesia Bank NTB	Promotion of dual cropping of hybrid maize and pulses in drylands. Linking input & credit suppliers, local traders and farmers.
Cassava Jember	University of Jember* PT Bangkit Cassava Mandiri Local enterprise cooperatives	Integrated system for cassava production and processing.
Sugar Madura	Indonesian Sugar Research Institute* Trunjoyo University PTPN X	Development of sugarcane industry on Madura island. Supporting farmers in best practice and market linkages.
Dairy Malang	University of Brawijaya PT Nestle*	Development of fodder farming business model for smallholder dairy production.

Maize & pulse intercropping, East & North Lombok

- **UNRAM:** technical support; agri research; facilitation/brokering between partners, and partners and farmers; community engagement.
- **Syngenta:** technical support and promotion of practices through learning centre; sale of inputs (especially seed).
- **Asia Crop Solutions:** credit for inputs; purchase of maize harvest at good price
- **ARISA:** emergency finance to farmers when the original credit provider withdrew from the partnership.
- **Bank NTB:** KUR loan processing to enable maize input purchases.

Sugar cane production, Madura Island

- **ISRI:** technical support; engagement with community, private and government sectors to champion the sugar industry.
- **PTPN X:** farmer extension/training, credit to farmers for input purchases, purchase and post-harvest transport of cane, land for demonstration plots.
- **PT GMM:** provision of credit to farmers for input purchases, land for demonstration plots, and purchase of harvested cane.

Lessons and insights – partnership

- Significant influence of market & policy changes
- Diverse agendas (research, profit, household benefit)
- Risks of partnership unevenly shared
- Weak institutional incentives for RI participation
- Limited experience / capacity for RI-PS partnership in Indonesia

Reflections

- Grants process vs. other mechanisms
- Transactional vs collaborative partnerships
- Judging 'success' and 'failure' problematic
- Multi-sectoral partnerships and definitions of the private sector
- Making a profit (short term) vs. rural development (long term)
- Impact / outreach numbers vs. institutional & systemic change

Impacts

Sector, Location	No. of households		
	...with access to tech	...using tech	...with increased net income
Beef West Sumbawa and Sumbawa	1,316	2,110	2,667
Maize East and North Lombok	4,640	3,221	2,735
Cassava Jember	1,376	520	489
Sugar Madura	1,534	849	406
Dairy Malang	4,172	3,513	2,571

Thank you...

Williams et al., (2019?) *Learning from public research-private sector partnerships in ARISA*. AIP-Rural Learning Series