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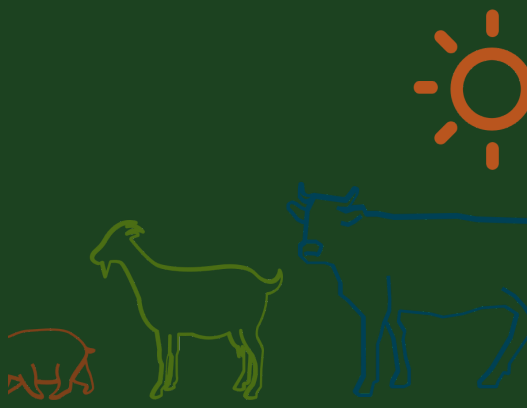
Fodder Markets in East Java: Identifying Interventions to improve Market Performance and Quality



Key details

Location
Indonesia

Duration
Start Jun 2015 **End** Sep 2016

Budget AUD 125,000

Commissioned organisation
International Livestock Research Institute

Project Leader
Steve Staal - International Livestock Research Institute

ACIAR Research Program Manager
Dr Anna Okello

Program Livestock Systems

Project code LPS/2015/017

Overview

The study provides an analysis of the determining factors that influence East Java's smallholder livestock farmers feed and fodder market participation and explain household level feed purchase prices, price formation and relationship with quality.

It would further address behavioural issues, particularly why and in what circumstances producers bought or sold fodder and feed, to better understand buyer needs.

The project was implemented over 16 months in three districts, Batu, Malang and Situbondo, which have contrasting and relevant settings in East Java, characterized by differing concentrations of cattle populations and on expected dependence on feed and fodder markets.

Project outcomes

Although the analysis showed that the markets in East Java in general are able to accurately price feed quality, it also revealed the existence of very clear constraints in terms of market information and infrastructure that impede market performance, and that causes some cattle producers to experience reduced access to feed and fodder markets and higher prices.

Further, the scale and importance of the fodder markets in particular point to potential opportunities for new enterprises around specialised fodder production, including the introduction of higher quality forages.

However, specific interventions may require further research beyond what this limited and short term scoping study was able to reveal. The results suggested that some mechanism for improved market information would benefit the performance of the feed and fodder markets.