

CHAPTER V CONCLUSION AND SUGGESTION

A. Conclusion

Based on the results of the research that has been carried out, the following conclusions are obtained:

1. The SSF Project is an initiative project that aims to facilitate the community groups and farmers and improve their livelihood by offering opportunities and generating economic benefits from around the forest. The project started in KUPS Mutiara Onau and KUPS Aren Antama in 2023 and ends in June 2025. Before the SSF Project, farmers around the forest worked independently and faced many limitations. After the SSF Project, farmers and people living around the forest have gained access to various resources, such as providing policy and regulation, facilitating financial support, training, technology, branding, and marketing to improve their well-being, as well as evaluating and monitoring the project to ensure the project is implemented. Therefore, the SSF Project is still lacking in improving business/enterprise marketing performance.
2. There are several actors involved in the value chain of non-timber forest products, palm sugar products in Lima Puluh Kota Regency, before and after the SSF Project. Before the SSF Project, the primary stakeholders involved were farmers who produced the products. After the products are packaged, the farmers will market them to collectors, wholesalers, retailers, and/or directly to the consumers. The secondary stakeholders involved include extension forestry workers, as the extension hand of the government, to deliver knowledge and information related to, and small and medium enterprises as collaborators and partners. Meanwhile, the actors involved after the SSF Project are the farmers, the middlemen, and the Social Forestry Business Group as the processor for palm sugar derivative products to enhance the value of palm sugar products. The secondary stakeholders involved include extension forestry workers, SMEs, SSF Project as a bridge between the farmers and the other actors, such as financial institutions and legal and licensing institutions in order to

improve the value of the palm sugar products. Other secondary stakeholders are Indigenous people, locals, NGOs, and universities as enablers and facilitators.

3. The value chain activities before the SSF Project were that the farmers only produced block palm sugar and then distributed it to middlemen and/or to directly to consumers. After the SSF Project, the farmers will sell the raw material or block palm sugar to KUPS, then KUPS will produce palm sugar derivative products such as granulated palm sugar, liquid palm sugar, and palm sugar candy then sell them to the next market. KUPS can be both a processor and a middleman.
4. Before the SSF Project, 79% of the block palm sugar sold to collectors, and farmers supplied 13.8% to the wholesalers, while retailers 5.5% of it, and 1.6% sold directly to consumers. The farmers earn the most profit and the margin value is distributed among the actors. After the SSF Project, the farmers can also sell the products 100% to the KUPS and the KUPS will deliver them to the next market. Although in terms of number of volume, KUPS is still not able to increase production volume due to limited product marketing and its demand.

B. Suggestion

1. The government is expected to continue providing support and assistance to the community even though the official project has ended, so that the positive impacts that have been achieved can continue and develop independently.
2. KUPS members are expected to actively participate in activities, especially in improving the digital marketing aimed at enhancing marketing strategies to reach broader markets, thereby creating sustainable added value for the community and local livelihoods.
3. The farmers are encouraged to produce their own derivative product and improving their product quality, not only in the groups but also individually.
4. For further researchers, it is recommended to conduct a more in-depth analysis regarding the effectiveness of the non-timber forest product value chain.