

Indonesia FGD Report

Landscape of Food Security-related Social
Enterprise



The Participants



Support Industry :

- [Platform Usaha Sosial \(PLUS\)](#)

Social Enterprise :

- [IWAK](#)
- [5Kilo](#)
- [Koperasi Global Agrimitra](#)
- [Mekanira](#)
- [Fish 'n Blues](#)
- [Ocean Fresh](#)
- [Aliet Green](#)
- [Pandawa Putra Indonesia](#)
- [Aruna](#)
- [Sirtanio](#)
- [Patri Indonesia](#)

What makes the entrepreneurs, 'social driven'?

- Have concerns for the lack of food stock and environmental degradation, in general
- Personal experience interacting and working with food producers
- Inspired by experts/professors
- Influenced by academic background and academic research done during university
- Involved in social projects through internship and exposed to the hardships of people who work in the industry
- Exposed to the problems of the industry through socio-economic development competition
- The core of their businesses are mostly to improve livelihood of food producers (farmers & fishermen) or to improve sustainable food production



Summary of why they are **social entrepreneurs**

- Most of them started the social enterprise because of direct or indirect exposure to the problems in the food security sector,
- Most of them have clearly/explicitly stated solving the food security problem/s as the objective of their business,
- The above also reflected in the way they run the business/develop the product/service

What is precisely the inclusiveness of the enterprise?

- **The farmers and fishermen** are deemed as the key aspirations in running the technology and the production.
- **Investors** along with commercial banks and personal loans as the source of funding, some investors often give suggestions, embed visions and give managerial training
- **Customers (consumers)** as the ones who actively give feedback for the betterment of the business and products creation
- **Government** (through ministries offices) as the key partners and the entity who grant money, R&D and assets to develop the industry, and regulations
- **Universities**, as the channels to obtain technology, R&D partners, business incubators, and investor pipelines

What is precisely the inclusiveness of the enterprise? (2)

- For some **SEs, NGOs** play part as the actor who steer several aspects of the business such as locations, sustainable practices framework and milestones
- Cooperative **firms**, they give strategic recommendation for the business
- **Central Bank (Bank Indonesia)**, as capacity builder and source of information
- **Business consultant** and enablers, giving advice and recommendation in running the business
- **Resellers/distributors**, as the channel to reach customers

Conclusion

A vibrant market stall with various fresh vegetables. In the foreground, there are several crates filled with fresh produce. One crate is overflowing with bright red bell peppers. Another crate contains a large pile of fresh ginger roots. In the background, more crates are visible, some containing yellow and red bell peppers, and others with green leafy vegetables. The scene is brightly lit, suggesting an outdoor market setting.

Most of them have not yet reach the inclusion level where stakeholders are directly involved in strategic or tactical decision making of the enterprises.

The most inclusive approach are : through farmers' group / cooperative representation or through feedback loop process.

What makes it more challenging to work in the food value chain?

- Products are to be consumed, people more careful. Thus, extra care to ensure safety and quality
- Price sensitive consumers
- Extra effort to increase the awareness of customer towards sustainable/organic products
- Infrastructural constraints
- The need for specific logistics in storing and distributing the products to maintain the quality

What makes it more challenging to work in the food value chain? (2)

- The production capacity of the farmers and fishermen is small
- Extra effort to introduce sustainable practice of farming and fishing
- The quantity and the quality of commodity supply are dependent upon the climate, seasonal changes, and general environmental conditions
- The products have expiration dates
- The needs for scientific researches and reliable data
- The big influence of middlemen

Conclusion

The nature of the sector require them to be more careful and follow strict regulation (food safety standard, etc), and most of them affected by uncontrollable variable (climate).

What is the added value of the support industry for the social mission of the SE?

- **The local government** is not supportive to the SE ecosystem and even becomes a constraint for several SEs
- **The national government** has program but the implementation is not effective, different ministries often have scattered and disorganized programs that overlap one another, and often demanding for credits with no added value given
- **Media** as the channel for exposure and publication works well



● What is the added value of the support industry for the social mission of the SE? (2)

- **Private sectors** help through corporate social responsibility (CSR) in a form of infrastructure reparation and funding
- **NGOs/CSOs** help the businesses to approach the farmers/fishermen, give recommendation, guidelines, and act as data resources

Understanding the wider ecosystem in which the SEs have to work:

- There is huge need for improvement of **infrastructures** including but not limited to storage systems, technology, logistics for distribution
- There should be supportive, well-planned, and well-implemented **government programs** within the scope of the industries and SEs in specific
- Society (customers) with high degree of **awareness** towards organic products or products of sustainable farming/fishing
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Perspective of some key players in the support industry:

The own specific challenges of the support industry in particular in reaching and delivering support to SEs working in rural areas or with rural stakeholders is the proximity between the SEs and the support industry



What is the idea of the support organisations about building an ecosystem in which SEs could flourish?

- There should be an orchestrating entity as a platform to bridge SEs with the supporting organisations such as investors, enablers, and experts
- There should be more government present to assist and help SEs ecosystem according to the needs OR at the very least for the government to not be directly hindering the SEs by passing counterproductive regulations or programs



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