



## Improving Small Farmers' Access to Soybean Processing Industry in Jambi Province, Central Sumatra, Indonesia

**Sahara\*, Trikoesoemaningtyas, and Desta Wirnas**

Bogor Agricultural University, Indonesia

### \*Correspondence

Department of Economics,  
Faculty of Economics and  
Management,  
Bogor Agricultural University,  
Jl Lingkar Kampus Gd.  
Wing Rektorat. Lt 3  
Indonesia

**T** +62 251 626 602

**E** sahara\_ipb@yahoo.com

### Keywords

access, Indonesia, processing  
industry, small farmers, soybean

### Abstract

Soybean is an important source of protein for Indonesian people. The soybean production in Indonesia is continuously declining and can only fulfill about 40% of its domestic demand. In order to increase soybean production, the Indonesian government has promoted soybean production in marginal areas. However, it is important to note that increasing soybean production should be followed by improved access of soybean farmers to markets, particularly the processing industries. This is because Indonesian consumers tend to consume products derived from soybeans that are produced by soybean industries. In such situations, linking small farmers to soybean processing industries is important. This study aims to identify the attributes of soybeans required by industries and the challenges faced by farmers in producing soybeans. The study area is Jambi Province in central Sumatra where there are many small farmers producing soybeans on marginal lands. Thirty respondents from soybean industries in the study area were purposively selected. To analyze the data, factor analysis and descriptive statistics were used. The results indicate that soybean industries have high quality requirements for soybeans. The characteristics of soybeans demanded by industries include big and uniform size, fresh, bright yellow color, free from disease, clean, low water content, high protein content, no damage, and available all year round. These results have important implications for policymakers on how to link small soybean farmers to soybean industries by introducing interventions so farmers can produce crops that meet industry requirements.