



## **The Law No. 19/2013 on the Protection and Empowerment of Farmers in Indonesia**

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### **Introduction**

It is believed that farmers have provided real contribution in the development of agriculture and rural economy. Nevertheless, farmers are faced with the emerging issues of climate change, vulnerability of natural disasters and business risks, globalization and global economic turmoil, as well as marketing system which are not in favor of farmers. On the other hand, as the agent of agricultural development, farmers need some protection and empowerment efforts to fulfill their food needs which is a natural right of every person in realizing a sustainable food sovereignty, food independence, and food security.

Previously, the protection and empowerment of farmers had not been supported by a comprehensive, and holistic legislations. The substance of the previous Laws were partial and not yet regulated protection and empowerment in a clear, unequivocal, and comprehensive manner. Therefore, we need an integrated and congenial arrangement within a Law to achieve the optimum targets of the protection and empowerment of farmers.

On 9 July 2013, the Indonesia's House of Representatives passed the Law No. 19/2013 aimed at protecting and empowering the farmers. Subsequently, this Law was legislated on 6 August 2013. In this Law, the farmer is referred as an individual citizen and/or the family of Indonesians who conduct activities related to food crops, horticulture, plantations, and/or livestock farming. Hence, certain provisions of this Law could introduce new direction if it were implemented as written.

### **Objectives**

The objectives of the protection and empowerment of farmers are as follows: (1) realizing the sovereignty and independence of farmers in order to improve welfare, quality, and better living; (2) providing agricultural infrastructure and facilities required in farming development; (3) providing assurance of farming; (4) protecting farmers from price

fluctuation, practice of high-cost economy, and crop failure; (5) increasing the capability and capacity of farmers as well as farmer organizations in farming activities that are productive, advanced, modern, and sustainable; and (6) developing agricultural finance institutions serving the interests of farmers.

### **The substances and provisions of the Law**

The keywords of the Law are “protection” and “empowerment” of farmers. **First**, the protection of farmers refers to any effort to assist farmers in dealing with the problems in obtaining infrastructure and production facilities, business certainty, price risks, crop failure, practice of high-cost economy, and climate change. **Second**, empowerment of farmers refers to any effort to improve the ability of farmers to implement better farming through education and training, counseling and mentoring, development of marketing systems and facilities for agricultural products, consolidation and assurance of agricultural land area, easy access to science, technology and information, as well as strengthening farmer organization.

The protection and empowerment of farmers is based on the principles of sovereignty, independence, usefulness, togetherness, integration, openness, efficiency of justice, and sustainability. In addition, the scope of implementation of the protection and empowerment of farmers includes planning, protection, empowerment, financing, controlling, and participation.

#### ***Planning***

The planning of the protection and empowerment of farmers is conducted in systematic, integrated, directed, comprehensive, transparent, and accountable manner.

#### ***Protection***

The protection of farmers is implemented through some strategies, namely: (1) provision of agricultural infrastructures and facilities; (2) promotion business certainty; (3) setting up the appropriate price of agricultural commodities; (4) elimination of high-cost economy practices; (5) provision of compensation in case of crop failure due to extraordinary events; (6) provision of early warning system and handling of the impact of climate change; and (7) development of agricultural insurance.

Among other policies to protect farmers are: (1) the regulation on agricultural commodities import according to the harvest season and/or domestic consumption requirements; the provision of agricultural production facilities in a timely manner; (2) provision of the right quality, and affordable production facilities to farmers, as well as

subsidies; and (3) the stipulation of agricultural commodities duty tariffs, as well as entry points of agricultural commodities from overseas within the customs area.

The stipulation of farming areas is based on: (1) the condition and potential of natural resources, human resources, and artificial resources; (2) the facilitation of farmer insurance to protect farmers from crop failure due to natural disasters, outbreaks of infectious animal diseases, and climate change; (3) the provisions of compensation assistance of crop failure due to extraordinary event according to the ability of state finances; and (4) other types of risks stipulated by the minister.

### ***Empowerment***

The empowerment of farmers is conducted to advance and develop the thinking and working patterns of farmers, increased farming, as well as foster and strengthen farmer organization in order to be independent and highly competitive.

The empowerment of farmers is implemented through some strategies, namely: (1) education and training; (2) counseling and mentoring; (3) development of marketing systems and facilities of agricultural products; (4) consolidation and assurance of agricultural land area; (5) provisions of financing facilities and working capital; (6) simplification of access to science, technology, and information; and (7) empowerment of farmer organizations.

### ***Financing***

The financing for the protection and empowerment of farmer activities conducted by the central and local governments is derived from the state and local government budgets. It is developed through banking institutions and/or financial institutions.

The government assigns the state-owned enterprise in the banking sector to serve the financing requirement of farming and farmer-owned enterprise according to the provisions of the regulating legislation. It should be implemented with an easy procedure and lenient requirement.

The financing institution, on the other hand, is a business entity conducting financial activities in the form of provision of funds or capital goods to facilitate as well as to assist farmers in farming. In other words, it serves farmers and/or farmer-owned enterprises to obtain financing for farming according to the provisions of the regulating legislation by which it should be implemented with simple requirements and quick procedures.

### ***Controlling***

Controlling is carried out to administer the performance of planning and implementation of the Law. It includes monitoring, evaluating, and reporting. This can involve the public in monitoring and reporting by empowering the existing potential.

### ***Participation***

The community can participate in the protection and empowerment of farmers either individually and/or in groups. It entails on the aspects of planning, protection, empowerment, financing, and control.

In terms of protection, the community can participate in: (1) maintaining and providing agricultural infrastructures; (2) prioritizing consumption of domestic agricultural produce; (3) providing social aid for farmers experiencing disaster; and (4) reporting of levies that are not in accordance with the regulating legislation.

In line with empowerment, the community can participate in organizing: (1) non-formal education; (2) training and apprenticeship; (3) counseling; (4) prevention of agricultural land conversion; (5) strengthening of farmer organization and farmer economic institution; (6) provision of sources of financing or capital facilities; and/or (7) provision of access to information facilities. Further provisions concerning public participation in the protection and empowerment of farmers is regulated in the Ministerial Regulations.

### **Conclusion**

The protection and empowerment of farmers aim to realize sovereignty and independence of farmers. It is implemented in order to: (1) improve the level of welfare, quality, and a better life; (2) protect farmers from crop failure and price risk; (3) provide agricultural infrastructures and facilities required in farming development; (4) foster farmer economic institution serving the interest of the farmers; (5) improve the ability and capacity of farmers as well as farmer organization in running the farms that are productive, advanced, modern, value-added, competitive, have a market share and sustainable; and (6) provide a legal certainty for the implementation of farming.

The essence of sovereignty is the implementation of the protection and empowerment, which shall be carried out by upholding the sovereignty of farmers who have rights and freedom in order to develop their own capacities. Meanwhile, the fundamental nature of independence is the implementation of the protection and empowerment of farmers, which shall be anchored in an independent manner by prioritizing domestic natural resources.

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