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PERFORMANCE AND ALTERNATIVE OF EXPORT DEVELOPMENT STRATEGIES FOR INDONESIAN NATURAL RUBBER

MUHAMMAD YUSUF
LECTURER (ECONOMICS)
POLITEKNIK NEGERI SRIWIJAYA
INDONESIA

ABSTRACT

This paper was focused on the export development of natural rubber with respect to its growth and values. The aim of this paper was to propose alternative development strategies for natural rubber in future. The Analysis approach with Hierarchy Process (AHP) framework of export business of natural rubber was arranged consecutively from focuses or goals, factors, actors, objectives of actors, and alternative strategies for actors. Each components of goals, factors, actors, objectives, and alternative strategies were assessed on the basis of their importance by using Saaty scales. Information from experts were analyzed by using AHP technique. The development of natural rubber export from 2000 to 2006 showed that the competitiveness position of Indonesia in the world market was fairly good. In order to increase the growth and values of natural rubber export, the experts concluded that smallholders through their organizations and small-scale business were the main actors. This had to be supported by the government through deregulation related to the natural rubber commodity. The objectives of actors could be achieved by combining strategies such as: a) the provision of capital in smallholder rubber development, b) the development of farmers' and other actors' institutions, as well as extension education, education, training, and services institutions, c) reduced cost and time in processing land certification and land use right (Hak Guna Urus Usaha / HGU), d) the development of transportation facilities from farm roads to export harbor, e) the development of quality standard, and f) improved access for farmers to financial institution (bank). The roles of the government as facilitators and regulators are fundamental in implementing such development strategies of natural rubber. Keywords Rubber, export, role of government and objectives and strategies

KEYWORDS

Natural rubber, export, role of government and objectives and strategies

INTRODUCTION

Commodity export business problems of rubber plantation is estimated operational costs associated with marketing and support facilities. Supporting infrastructure are particularly related to capital, insurance and freight (facilities and transportation networks). With the level of international competition and the higher globalization process that runs faster, then the medium supporting very strategic in determining the development of rubber exports.

According to Drajat (2005), on international markets shows that the competitiveness of Indonesian rubber plantation commodities including low quality compared to the same commodities produced by state competition. Problems of competitiveness should also be the focus of government attention in policy making and marketing of agricultural development programs (Directorate General of Processing and Marketing of Agricultural, 2004).

Business problems faced by exporters of rubber will certainly affect the value and revenue growth in exports of rubber and export business. Business analysis to the problems faced by the exporters of rubber is dedicated to improving the competitiveness of commodities, especially in international markets. Inability to manage the competitiveness of exporters in the rubber can be a serious obstacle in achieving growth targets and increase the value of rubber exports which in turn is detrimental to exporters and other principals in Indonesia. This paper aims to propose alternative measures export development of rubber. Meanwhile, this study specifically aims to (i) present and analyze the export performance of Indonesian rubber, (ii) identify and analyzing business problems faced by entrepreneurs in order to develop the export of rubber, and (iii) propose an alternative development strategy of export of rubber.

HIERARCHIE THE ANALYSIS PROCESS (AHP)

Analysis using a hierarchy process known as AHP is an alternative action that is determined by the perpetrators or actors to include consideration of personal values and logically. These two things are very much determined by the knowledge, experience, imagination, logic and intuition (Rizal, 2007 in Maarif and Tanjung, 2003). AHP framework can be applied to analysis of rubber export business. AHP developed in stages from the preparation of the focus problems, identifies factors that influence, identifies the actors (perpetrators and facilitators), setting goals to achieve, and identifies alternative actions that need to be done by the actor. Determination of ranking the elements in a variety of alternative actions with Expert Choice was performed as follows:

- a) Optimizing resource done by giving the ranking in the land, labor, capital, and technology (cultivation, handling, and processing)
- b) Development of infrastructure done by giving the ranking in transport facilities (ports, roads, weigh stations, warehouses and other), energy (electricity), and telecommunications and information.
- c) Development of the financing is done by giving rank-scheme on the provision of credit schemes, requirements, and protection against risk.
- d) Institutional carried out by the ranking on organizational development and application of regulatory rules.
- e) Implementation of policies carried out by the ranking of trade policy through a variety of fiscal instruments (taxes / import and export tariffs, levies, fees, and sub sidi), commodity policy (type and quality), and non-tariff policy.

AHP method use to analyze the condition of this seat in the analysis hierarchy process. To know the current conditions associated with the export of rubber and government policies do updating of data and information from various relevant sources. Phase, according to Saaty (in Rizal, 2007), AHP includes:

- a) Identification of Problems

Identification problem based on the document the Ministry of Industry and Commerce (2005) Development of Industrial Policy and Trade Issues National export development concluded rubber covering issues of operational costs, marketing management, and support facilities.

b) Preparation of Hierarchy

Rubber export development problems and then analyzed by hierarchical and ordered by the elements associated with the problem, that is the focus, factor, actors, goals, problems, and the alternative strategy of production surplus, FOB prices, government policy and the export market. Actors in order to increase the value of primary commodity exports and growth is defined as the plantation business (SOE, Private and Cooperatives / SME), while the government and the regulator is defined as facilitator. Destination actors in order to increase the value of rubber exports and growth to increase competitiveness. Competitiveness component identified include operating costs such as disclosed by Amir (2000), marketing management (Keegan, 2003), and supporting infrastructure (Tambunan, 2002). Alternative strategy to enhance competitiveness hypothesis include optimization of resources, infrastructure development, financing, institutional and implementation comparison in pairs to form the matrix $n \times n$. The value of a_{ij} is a value matrix that reflects the opinion of the comparative value of the interests of C (Table 1).

Table 1 Basic Scales of Saaty

Level of importance	Notes
1	Same important if compared with other
3	Moderate importance compared with other
5	Strong importance compared with other
7	Very strong importance compared with other
9	Extreme importance compared with other
2,4,6,8	Value between two adjacent values if the element i have one of the above figures compared with element j . So, the element has the opposite value when compared with the elements i
Reciprocal	

Table 2. Formulation of Individual Matrix

	C_1	C_2	...	C_n
C_1	1	
C_2	...	1	...	
...	
C_n	a_{1n}	a_{2n}	1

The duet comparative make a matrix $n \times n$. The value of a_{ij} in matrix is a value comparative that showed by C value priority to C (Table 2).

c) Matrix Composite Opinions

Matrix represents the combined opinion of the new matrix elements (g_3) is derived and the geometrical average matrix element of value of individual opinion for consistency ratio (CR) are eligible. Goals and preparation of joint opinions matrix is to form a matrix that represents the matrix-matrix existing individual opinion. Matrix is then used to measure the level of consistency and priority vectors and the elements representing the hierarchy of all respondents. This joint opinion using matrix formulation as follows:

Gg (Matrix Composite)

Where: m = number of respondents

e) Horizontal Processing

Processing horizontal used to compile priority decision element in the decision hierarchy. Multiplication bans using the following formula:

$$V_{ei} = \sqrt[n]{\sum_{j=1}^n a_{ij}}, \text{ dengan } i = 1, 2, \dots (2)$$

$$= \sqrt[n]{\sum_{j=1}^n a_{ij}} (k) (1)$$

Where: V is Eigen Vector, n is number of elements being compared other significant variables already defined above

RESULTS AND DISCUSSION

Indonesian export of natural rubber in a global market perspective, the world's natural rubber trade has involved more and 10 exporting countries. Indonesia, Thailand and Malaysia were the three largest exporting country in the world. Export trade of natural rubber mainly dominated by the kind of rubber smoked sheet (RSS) and Technically Specified rubber (TSR). By using the International Trade Centre (ITC), in 2006 Indonesia was the second largest exporting country after Thailand for this kind of quality of the rubber RSS.

In 2006, world exports worth U.S. RSS \$ 2.9 billion with a total 1.4 million tones. RSS export values and quantities of the world in the period 2002-2006 grew respectively by 28% and 1% per annum, while that in the period 2005-2006 the export value of the RSS world grew by 47%. In the year 2006 the world rubber trade, the export RSS Indonesia worth U.S. \$ 609 million with a volume of 325 thousand tons. Indonesia's export growth rate in the period 2002-2006 in value and volume reached 126% and 82%, higher than the growth of world exports. But in the 2005-2006 period, export growth to RSS Indonesia 42%, lower than the growth of world exports. RSS Indonesia rubber export shares in the two largest in the world rank, amounting to 21%, after Thailand.

For natural rubber type of TSR, Indonesia is the largest exporting country, followed by Malaysia and Vietnam (Table 4). In 2006, the carrying value of world exports of U.S. TSR 7.0 USD billion with total exports 3.7 million tones. Value and the amount of exports in the period 2002-2006 TSR each grew 35% and 7% per year, while growth in the period 2005-2006 world export value reached 63% TSR. TSR rubber on the world trade in 2006, TSR Indonesian exports worth U.S. \$ 3.7 billion with a volume of 1.95 million tones. In the period 2002-2006, the rate of TSR Indonesian export growth in value and volume reaches 36% and 7%, relatively the same compared to the growth of world exports. But in the period 2005-2006, the growth of Indonesian export value TSR 72%, higher than the growth of world exports. TSR Indonesia's largest export shares in the world, amounting to 53%. Indonesia's export share in world trade TSR is followed by Malaysia from Vietnam (Table 3).

INDONESIAN RUBBER EXPORTS BY DESTINATION COUNTRY

In the case of RSS rubber exports, the country-country Japan, China and the United States is the main goal. Other countries that also become export destinations include Belgium, Canada, Singapore and the UK (Table 4). Another important thing to note in Table 5 is that Japan, China and the United States is a country of destination main RSS Indonesian rubber exports by the export share of 24%, 16% and 9%, but with the growth of exports value high enough that is equal to 2 12% , 101% and 60% of European countries became the main destination of exports of rubber Indonesia is RSS Belgium amounting to 7% share. It is interesting and RSS export by country of destination is Indonesia's export growth value is also followed by volume growth. In this implicitly showed an increase in demand for rubber type of RSS in their respective country's export destinations.

United States, China, and Japan is the main export of natural rubber TSR and Indonesia with their respective share of exports amounted to 29%, 15% and 14%. Other countries that also export destinations were South Korea and Germany (Table 4). The important thing to note in Table 6 is that in the period 2002 to 2006, China became the country with the growth in value and volume.

Table 3. Export position of Indonesian TSR 2006

Exporter	Export		Export growth 2002-2006 (% year)		Export growth in value 2005-2006 (%)	World Export share	
	value (US\$ 000)	Volume (ton)	i Value	volume		Value	Volume
World	7.007.316	3.684.020	35	7	63	100	100
Indonesia	3.698.831	1.952.268	36	7	722	53	53
Malaysia	2.090.625	1.062.047	37	9	48	30	29
Vietnam	283	139	17	(6)	87	0	0
Thailand	50	27	45	19	30	0	0
	1.217.527	669.439	Na ¹⁾	Na ¹⁾	Na ¹⁾	17	18

Na¹⁾ = data not available

Table 4 Export of Indonesian RSS by destination countries, 2006

Exporter	Export		Export growth 2002-2006 (% year)		Export growth in value 2005-2006 (%)	World Export share	
	value (US\$ 000)	Volume (ton)	Value	volume		Value	Volume
World	609.001	325.393	126	82	42	100	100
Indonesia	142.869	78.595	212	155	27	23	24
Malaysia	97.855	51.297	101	57	100	16	16
Vietnam	56.885	30.318	60	30	26	9	9
Thailand	42.645	23.598	209	148	52	7	7
Others	268.747	141.585	Na ¹⁾	Na ¹⁾	Na ¹⁾	44	44

Na¹⁾ = data not available

Table 5. TSR of Indonesian Export, 2006

Exporter	Export		Export growth 2002-2006 (% year)		Export growth in value 2005-2006 (%)	World Export share	
	value (US\$ 000)	Volume (ton)	Value	volume		Value	Volume
World	3.698.831	1.952.268	36	7	72	100	100
Indonesia	1.041.351	558.051	27	0	29	28	29
Malaysia	549.175	283.430	117	66	101	15	15
Vietnam	524.572	278.905	32	4	143	14	14
Thailand	154.828	82.141	30	2	103	4	4
others	138.489	72.185	30	2	82	4	4
	1.290.416	677.556	Na ¹⁾	Na ¹⁾	Na ¹⁾	35	35

Na¹⁾ = data not available

TSR and Indonesian imports are high enough that followed 117% and 66%. For other countries, growth in import value of high TSR and Indonesia are not followed by a volume growth of imports. This indicates no increase in rubber exports in TSR type of export destination countries are.

RUBBER PRICE TREND

Price of TSR 20 rubber type in New York and Singapore during the year 2006 in July 2008 to rise and fluctuate in the short run monthly. But starting in August 2008 decreased in line with the global financial crisis (Figure 1).

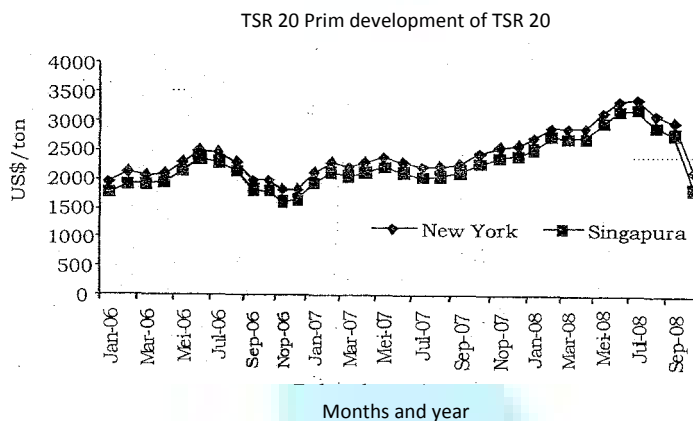


Figure 1. Price of natural rubber in Singapore and New York, January 2006 October 2008 (Source. International Rubber Study Group, 2008)

The global financial crisis that occurred pressing demand while supply is relatively fixed so that the price falls. Automotive industry in the United States and Western Europe experiencing financial pressures as a result of the crisis so that the demand for tires and the subsequent demand for rubber was also lower.

The price of rubber was still possible management for rubber industry survive, unless the lower rubber prices from U.S. \$ 1.35 per kg. This price represents the price level of TSR 20 Rubber goods produced by Indonesia. Rubber Association of Indonesia (Gapkindo) to determine the price level such as the price limit for export or restrain exports of rubber from Indonesia. If the price of rubber type lower TSR 20 and U.S. \$ 1.35 per kg, then the rubber being held as stock, hoping to reduce supply so that rubber prices will rise to levels above U.S. \$ 1.35 per kg.

Rubber Export Growth Determinants

In realizing the development of rubber exports, the factors mentioned above is determinant role by players (actors) of export, namely state-owned, private, farmer organizations (cooperatives and SMEs), and the Government as a facilitator. According to experts, those actors have a relatively different role in determining the factors (Table 8). In the view of experts, Cooperative / SMEs have an important contribution (and most dominant) in increasing the export volume (production), rubber, and government policy, while the SOEs dominate role in determining the price of exports and affect the international market.

Table 6. Determining factors of Indonesian natural rubber export development

Alternative factors	Priority vector	Number of priority
Production	0.113	4
Export price	0.182	3
International market	0.418	1
Government Policy	0.286	2

Table 7. Roles of Actors based on factors affecting Indonesian natural rubber export development

Alternatives actor	Priority vector	Number of priority
Production (CR=0,0172)		
• BUMN/ Government-owned Estate/Enterprises	0.152	3
• Private	0.081	4
• UKM/ Cooperatives/Small - Medium Enterprises	0.554	1
• Government	0.213	2
Export price (CR=0,0116)		
• BUMN / Government –owned estate/Enterprises	0,442	1
• Private	0,190	3
• UKM Cooperatives/Small - Medium Enterprises	0,085	4
• Government	0,281	2
International market (CR =0,0175)		
• BUMN / Government-owned Estate/Enterprises	0,359	1

• Private	0,286	2
• UKM Cooperatives/Small - Medium Enterprises	0,13 1	4
• Government	0,222	3
Government Policies (CR= 0,031		
• BUMN / Government-owned Estate/Enterprises	0,169	2
• Private	0,165	3
• UKM Cooperatives/Small - Medium Enterprises	0,543	1
• Government	0,123	4

Based on the data processing is apparent and the results of analysis that are not in line with expectations. A result of analysis that does not comply with these expectations is that Cooperatives / SME has the most important contribution in increasing production and government policy. But the factual, the production of rubber which is then processed and exported by the private sector are very dominant Indonesian rubber exports contributed. From this fact, proven to rubber planters and private sector are more in control as an actor in increasing the value of Indonesian rubber exports and growth.

The other thing is still the question is the most dominant state role in determining the export price and the influence of international markets. In fact it is not so because the biggest exports still come from private and government does not have an important role in the international market. In this case the order is consistent with the fact the actors have no role in determining the export price. To some extent, private is more important, whereas in terms of policy, the government within certain limits is more important compared to any other actor.

Table 8. Actor objectives in the development of Indonesia natural rubber export

Alternatives objective	Priority Vector	Number of Priority
BUMN/ Government owned Estate / Enterprises (CR = 0,0113)		
Operational cost	0,162	4
Marketing efficiency	0,204	3
Supporting facilities	0,226	2
Deregulation	0,408	1
Private (CR = 0,0204)		
Operational cost	0,126	4
Marketing efficiency	0,209	2
Supporting facilities	0,150	3
Deregulation	0,515	1
UKM Cooperatives/Small-Medium Enterprises (CR = 0,0045)		
Operational cost	0,160	4
Marketing efficiency	0,257	2
Supporting facilities	0,168	3
Deregulation	0,414	1
Government (CR = 0,0045)		
Operational cost	0,407	1
Marketing efficiency	0,265	2
Supporting facilities	0,152	4
Deregulation	0,175	3

In relation to improving competitiveness, Private and Cooperatives has the same purpose (Table 8). According to experts, state-owned, private, and cooperatives jointly expects that to increase the competitiveness of rubber, the roles of de / regulation of the government is the main priority objectives, while the operational cost efficiency is less prioritized objectives by these three actors. Deregulation is considered important in relation to the deregulation of the regulatory effectiveness of operational costs, marketing efficiency and supporting infrastructure development increase employee wages and fuel oil was a component that increases the operational costs from time to time. Limitations of transportation infrastructure facilities (roads and ports) is something that became the subject of deregulation. Destination actors above can still be further detailed according to an alternative priority strategies as a whole, such as listed on Table 9. according to experts, every destination has to offer operational steps, whether it is through the optimization of resources, financing, development institutions, and policy implementation (Table 9).

Until now, rubber export markets is believed by experts tend to still be "buyers market", where a lot of rubber export market is determined by the strength of rubber in the overseas buyer or otherwise producers / exporters of Indonesian rubber (all the more alone) are less able to determine the performance market . As it is known that most of \pm approximately 75% of the volume of world natural rubber is used as raw material for the tire industry and tire industry itself is controlled by big companies such as Bridgestone international scale, Michelin, Good Year, and the Continental, which can make direct purchases (direct trade) to exporters of rubber / crumb rubber factory in Indonesia. With the above reasons, the efforts of rubber exports in the context of each power increase, it seems more likely to be done with the form of creating steps "efficiency and facilitation", which facilitate the performance of production, distribution, and marketing in the country (of course by creating an internal environment conducive) first by not leaving the external aspects. De government policy / regulation, for example, should be done to fake a mechanism so that buyers can be more "tasteful" to buy rubber from Indonesia, while reducing / eliminating barriers faced in buying rubber.

Table 9. Operational activity alternatives for Indonesian natural rubber export development

Operational activity	weighted	Number of Priority
Operational cost effectiveness (CR = 0,0037)		
Optimization of Resources	0,169	4
Infrastructure development	0,080	5
Funding development	0,173	3
Institutional development	0,260	2
Policy implementation	0,318	1
Marketing efficiency (CR = 0,0239)		
Optimization of Resources	0,237	3
Infrastructure development	0,099	5
Funding development	0,160	4
Institutional development	0,241	2
Policy implementation	0,263	1
Supporting facilities improvement (CR = 0,0016)		
Optimization of Resources	0,166	4
Infrastructure development	0,167	3
Funding development	0,160	5
Institutional development	0,263	1
Policy implementation	0,245	2
Deregulations (CR = 0,0183)		
Optimization of Resources	0,312	1
Infrastructure development	0,237	2
Funding development	0,229	3
Institutional development	0,129	4
Policy implementation	0,093	5

Table 10. Alternative strategies for Indonesian natural rubber export development

Alternative strategy	Priority Vector	Number of Priority
Optimization of Resources	0,429	1
Infrastructure development	0,055	5
Funding development	0,121	4
Institutional development	0,280	2
Policy implementation	0,115	3

Results from expert opinion based on the results of combined treatment with significant visible Expert Choice with inconsistency ratio of 0.06. according to experts, the alternative strategies that are considered most appropriate, reliable, and be a top priority in efforts Rubber Commodities Export Development strategy is the Resource Optimization (weight = 0.429), followed by institutional development, development finance, policy implementation, and infrastructure development (Table 10).

Experts black as that resource optimization strategy can be done with emphasis on: a) providing easy access to the capital of financial institutions (banks) nationwide; b) the settlement of land problems, especially in the rubber plantation revitalization program, such as certification issues in terms of financing and completion time and c) The application of technology, aquaculture and processing. Overall operational strategy was highly relevant to current conditions and rubber plantations with respect to the implementation of rubber plantation revitalization program. Institutional development strategies carried out through: a) development of institutions (establishment, education, counseling, training and coaching), b) development of quality standards, c) trade arrangements, in this sellers settings, and d) development strategic alliances. In developing this institution includes: e) the development of Export Marketing Information System plantation products, thus the market opportunity is known by all businesses and market distortions that occur in international markets is inevitable f) improving the quality of human resources to be able to adopt and adapt with technology, the ability to receive and process information so that market becomes a competitive advantage to all stakeholders plantations, g) promote ways and international marketing regulations; and h) develop market intelligence so that it can perform an evaluation and analysis of changes in competition, market trends, consumer guidance and changes regulatory / international regulations, and can increase the ability to compete in the global, regional, and specific. In terms of strategic alliances, the government should: a) facilitating the development cooperation program between the government agencies or non-government by forming a "Commodity Board" for the field of product development (processing), improved product quality, marketing, licensing and others.

The Commodity Board shall be the media bring together all stakeholders to work together, b) institutional strengthening agribusiness / agro-industry was included to improve performance on each sub-system of Hulu, Plantation Primary, Lower Agribusiness and Services Institute. On principle, such cooperation based on Win-win solution that is empowering and strengthening the upstream and downstream-oriented "industry

clusters", c) the strengthening of cooperation with "Network Marketing" both in the commodity trading centers and in the country of destination marketing through the strengthening of human resources, and d) improving international market access for products of plantation development of Network Marketing.

Furthermore, the experts agreed on the development of commodity exports of rubber, development financing can be done by: a) provide a skim-credit scheme (an investment and export credits) with a competitive interest rate, easily met the requirements of the situation of commodity business and b) guarantee in the use of credit, as required in a rubber plantation revitalization program. The experts seem to agree not very disputed local taxes / levies and insurance.

Experts agree that the implementation of policies to support export development is a major trade policy, followed by production and fiscal policy and monetary policy. In regard to the implementation of this trade policy, the experts agreed the need for governments to:

- a) Creating or revitalizing various government regulations that support exports, mainly related to the marketing policies such as licensing procedures or procedures for export / import, fiscal, taxation and levies, and other marketing support policy,
- b) Establish a Master Plan Rubber Products Export Development in order to realize
- c) Common development focus of the agreed export of products nationally and must be supported by the "Political Will" strong. Master Plan for the development of exports consists of segmenting (selected market segments), targeting (target market for each product), and positioning (positioning of particular products, such as SIR for instance, whether as a market leader or market follower), taking into account comparative advantage and gains competitive that will be obtained,
- d) Improved access to export markets in the global and regional markets, including promotion and advocacy skills to the product being marketed. Expansion of marketing can also be done from a traditional market to market non-traditional or "new market penetration." Government needs to increase the lobby in global trade forums, regional, bilateral, and other international forums, in order to improve their bargaining position and won a foreign power. In relation to infrastructure development, the experts agreed to prioritize transportation facility compared with the energy and telecommunications facilities. This opinion is in accordance with field conditions in which farm roads (gardens) and which connects the garden with the nearest road (village, district and county) are generally in bad condition, especially in the plantation. In more concrete, alternative development strategies Indonesian rubber exports in Figure 1.

CONCLUSIONS AND RECOMMENDATIONS

Development-related commodities export competitiveness. Indonesia's position in international trade of commodities strong enough rubber. The important thing to understand is the potential for export development are still owned by Indonesia. Government as regulator and facilitator through its policies also have demonstrated a commitment to increase exports of agricultural commodities. By using the Analysis Hierarchy Process (AHP) shows that the government acts as regulator and facilitator. Rubber plantation farmers especially those who were gathered in the farmers' organizations (cooperatives) and the SMEs that are followed up with a private sector role, becoming the main actor for the export of rubber, certainly with the support of de / regulation related to these commodities. To achieve the desired objectives, the actors in rubber export development priority to optimizing resource development strategies, followed by institutional development, financing, policy implementation, and infrastructure development.

Rubber export development strategy should be seen as the part of the development of export commodities. Looking ahead to be prepared a Grand Strategy that contains a complete package of optimization of resources, institutional development, financing scheme, policy implementation, and infrastructure development. Grand Strategy is then broken down further in the operational strategy for development of respective exports of agricultural commodities, including rubber. Operational Strategies rubber export development according to priorities as follows:

- a) Provision of capital for the development of rubber plantations
- b) Institutional development of farmers and other entrepreneurs as well as the development of education, counseling, training, and built it.
- c) Financing of land affairs and HGU trusted certification and commuted
- d) The development of road transport facilities to the farm export harbor
- e) Development of quality standards
- f) Provision of credit schemes.

Above operational strategy is basically a mix strategy to achieve the desired objectives of the actors, namely government policies of deregulation, Effectiveness of operational costs, development of supporting infrastructure, and cost efficiency. Therefore the government needs to play as a facilitator and regulator function associated with the implementation of export development strategy over the rubber.

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