ABSTRACT

FINANCIAL FEASIBILITY AND AGRIBUSINESS DEVELOPMENT PROSPECT OF SENGON (*Albizia falcata*) SMALL HOLDER FARMING IN KEMILING SUBDISTRICT BANDARLAMPUNG CITY

By

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This study aims to assess: (1) financial feasibility of sengon small holder agribusiness, (2) sensitivity of financial feasibility of sengon small holder agribusiness, (3) prospect for the development of sengon small holder agribusiness. This research was conducted in the Kedaung and Sumber Agung village, Kemiling Subdistrict, Bandarlampung City were selected purposively. Respondents taken a census of 16 people who are farmers of sengon farming. The first aim was analyzed using several criteria for measuring investment feasibility. The second aim was analyzed using sensitivity analysis with possibility of decline in production sengon of 11.15%, decrease in selling prices of timber sengon of 17.24%, and increase in production costs by 30%. The third aim assessed by quantitative descriptive and qualitative descriptive analysis. The results showed that (1) sengon farming was financially feasible to cultivated indicated by the value of NPV Rp 97,068,096.99, IRR of 76.96% was greater than the interest rate used is 19.25%, Gross B/C 4.26, Net B/C of 4.81 and PP for 5 years 8 months of age economical business for 6 years, (2) sengon farming was still feasible to decrease production by 11, 15%, decrease in selling prices of timber sengon by 17.24%, and the increase in production costs by 30%, (3) prospect for the development of highly prospective of sengon small holder agribusiness or good to be developed.

Keywords: development prospect, financial, sengon, sensitivity