ABSTRACT

THE BENEFITS OF INDONESIAN ORGANIC FARM CERTIFICATION (INOFICE) TOWARD THE SUSTAINABILITY OF ORGANIC COFFEE FARMING IN AIR HITAM SUB DISTRICT OF WEST LAMPUNG REGENCY

By

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Consumer’s awareness about high grade and eco-labeling product gave occasion to increasing demand of organic product that certified by certification organization. The purposes of this research were to analyze the benefits of INOFICE organic certification toward the sustainability of coffee farming on the economic, environmental and social dimension sides. The research was conducted in Air Hitam Sub District of West Lampung Regency. The research samples were 30 farmers of each certified and noncertified farmers that was chosen by census for certified farmers and purposive sampling for noncertified farmers. The Data was collected in April to May 2015. The economic benefits was analyzed by comparing the productivity, cost efficiency, income between the certified and noncertified farmers using t test. The added value was analyzed by Hayami method. The sustainability comparation of organic and inorganic coffee farming was valued by the practice of coffee cultivation and was analyzed by Mann Whitney u test. The result showed that INOFICE organic certification in Air Hitam Sub district has been conducted since 2012. On economic side, there were no differences of productivity, coffee price, farming cost, and income between certified and noncertified farmers; however, the cost efficiency of certified farmers was higher than noncertified farmers. The added value of the processing of organic coffee powder was Rp22.116,67/kg. The practice of certified farmer coffee cultivation more sustainable in economic, environmental and social than noncertified farmers.

Key words: benefit, certification, coffee, INOFICE, sustainable