

ABSTRACT

FINANCIAL FEASIBILITY ANALYSIS OF NUTMEG INTENSIVE CULTIVATION IN GISTING DISTRICT TANGGAMUS REGENCY

By

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This study aims to analyze: (1) financial feasibility of nutmeg intensive cultivation in Gisting Sub District, Tanggamus Regency. (2) financial sensitivity to production cost increase, production decrease, and output price decrease in Gisting District Tanggamus Regency. (3) Feasibility aspects of the cultivation, techniques, and marketing of nutmeg intensive cultivation in Gisting District Tanggamus Regency.

The study site was selected purposively on the basis that Tanggamus is a center of nutmeg production district in Lampung Province. Sampling was done by using census method. Data used are primary and secondary data. Analyses used were analyses of quantitative and descriptive qualitative. Quantitative analysis of financial feasibility consisted of B/C ratio, NPV, IRR, PP, and sensitivity analysis by using the DF rate of 15%. Descriptive qualitative analysis was used to determine the feasibility of cultivation, techniques, and the marketing aspects. Data collection was conducted in December 2012 - January 2013.

The results showed that: (1) Nutmeg intensive crop cultivation in Gisting Sub District, Tanggamus District was financially feasible with Gross B/C of 2.09, Net B/C of 2.23, NPV of Rp 125,574,036, IRR of 20,98%, and Payback Period of 10.01, (2) Nutmeg intensive farming was profitable and feasible to be developed even though the possibility of production costs rose by 10%, production decreased by 25%, or output price decreased by 10%. (3) From cultivation aspect, climate and rainfall were suitable for nutmeg cropping. From technical aspect, the majority of farmers still used simple technology and many of technologies had not been applied. Aspect of marketing was still very viable and promising.

Keywords : Financial feasibility, Sensitivity analysis, Gisting District, Tanggamus Regency, and Nutmeg