

Selection Criteria	Chili (EJ)
<b>Poverty Orientation</b>	
<b>How many farmers can be reached</b>	<ul style="list-style-type: none"> <li>• With average small chili farm size of 1ha (Sampang) and approx., 63,000 ha grown, there are an estimated 63,000 Small chili farmers in EJ. (EI-ADO, 2013)</li> <li>• Using an estimated 0.5 ha average farm size for Big chili and approx. 13000 ha of Big chili grown, there are an estimated 26,000 Big chili farmers in EJ. (EI-ADO, 2013)</li> </ul>
<b>Percentage of targeted group with low income</b>	<ul style="list-style-type: none"> <li>• 65% of farmers in EJ are considered poor. Chili production requires a relatively high labor investment. The majority of farmers producing chili do not fall into the low income category (approx. 30-40% of farmers). However the labour and casual work force employed by chili farmers are classified as poor.</li> </ul>
<b>How important is this commodity to household income</b>	<ul style="list-style-type: none"> <li>• Chili cultivation is an important source of cash income and employment for smallholder farmers and farm labourers.</li> <li>• Employment from chili farming is 3-4 times that for rice (Bhattarai &amp; Mariyono, 2013)</li> </ul>
<b>Growth Potential</b>	
<b>Trends and expected trends</b>	<ul style="list-style-type: none"> <li>• Production trend for both Big and Small chili is positive from 2007 – 2011.</li> <li>• Productivity of Small chili improved in EJ by 19% from 2009-11 (other provinces declined) and improved by 1% for Big chili over the same period.</li> <li>• Real price trends are positive for Big chili and stagnant for Small chili (2008-12).</li> </ul>
<b>Potential for productivity improvements</b>	<ul style="list-style-type: none"> <li>• At 3.9 t/ha EJ productivity of Small chili is below the national average (2009-11) of 5.1 t/ha and well below West Java at 12.8 t/ha.</li> <li>• At 5.3 t/ha EJ productivity of Big chili is below the national average (2009-11) of 7.1 t/ha.</li> <li>• The EJ Chili Association has non-subsidized Market Information System in place that can be expanded.</li> </ul>
<b>Constraints</b>	<ul style="list-style-type: none"> <li>• Crop losses due to pests and diseases.</li> <li>• Excessive quality losses during the rainy season.</li> <li>• Poor seedling quality.</li> <li>• Reluctance by the private sector to invest in Madura.</li> <li>• Very volatile prices for Big chili.</li> </ul>
<b>Potential for systemic intervention</b>	
<b>Availability and willingness of potential partners</b>	<ul style="list-style-type: none"> <li>• EJ Chili Association.</li> <li>• ABC Heinz and Indofood (major chili processors).</li> <li>• Private seeds companies active in the sector. BISI, Matahari and Pioneer.</li> <li>• Some small scale sambal manufacturers around Surabaya that buy chili directly from the wet markets.</li> </ul>
<b>Availability potential NGOs/CSOs</b>	<ul style="list-style-type: none"> <li>• Farmer groups are present in some areas, but not all.</li> <li>• No commodity specific NGOs present.</li> </ul>
<b>Other Priorities</b>	
<b>Relevance to gov. programs</b>	<ul style="list-style-type: none"> <li>• Government closely monitors the price of chili. Price is managed via import controls, but this has little effect since the wet market (which represents the largest market share) still prefers fresh chili over dried or processed.</li> </ul>
<b>Relevance to environmental aspect</b>	<ul style="list-style-type: none"> <li>• Farmers over use agro-chemicals with limited technical knowledge.</li> </ul>
<b>Relevance to gender &amp; social inclusion</b>	<ul style="list-style-type: none"> <li>• Nurseries and chili farms are usually managed by men.</li> <li>• Women are more involved as wage labour.</li> <li>• Women have a stronger presence in the traditional retail trade.</li> </ul>