

analyses three sugar factories located in Situbondo, i.e. PG Assembagoes, PG Olean, and PG Pandjje.

4.3.1 Sugar Factory PG Assembagoes

PG Assembagoes was founded by the Dutch in 1891, and in 1957 was taken over by Indonesians (www.ptpnn-11.com). Table 5 depicts the operational summary of PG Assembagoes for 2013, 2014 and 2015 target.

Table 5. Operational Summary of PG Assembagoes

	Unit	2013	2014	2015 (target)
Area of sugar cane milled:				
- Belongs to PTPN XI	Ha	1.423,2	1.290,4	1.393,9
- Belongs to farmers	Ha	5.420,0	5.549,5	5.300,3
Total area of sugar cane milled	Ha	6,843,2	6.839,9	6.694,2
Total sugar cane milled:				
- Belongs PTPN XI	Ton	109.641,4	74.971,4	110.809,1
- Belongs to farmers	Ton	416.805,5	320.076,3	407,077,4
Total sugar cane milled	Ton	526.446,9	395.047,7	517.886,5
Total sugar production:				
- Belongs to PTPN XI	Ton	18,327,4	14.723,6	21.839,1
- Belongs to farmers	Ton	20.138,8	16,640,6	23.722,1
Total sugar production	Ton	38.466,2	31.364,2	45.561,2
Total molasses production				
- Belongs to PTPN XI	Ton	11.940,4	10.150,2	11.092,5
- Belongs to farmers	Ton	12.504,2	9.602,3	12.212,5
Total molasses production	Ton	24.444,6	19.752,5	23.305,0
Milling capacity	TCD	2.184,5	2.184,2	2.760
Sucrose content in sugar cane				
- Belongs to PTPN XI	%	7,79	8,69	9,4
- Belongs to farmers	%	7,19	7,75	8,6

Source: PG Assembagoes, 2015

Table 5 shows that the area of sugarcane milled was relatively stable from 2013 until 2015 that was about 6.800 ha. Around 80% of total area belongs to sugar cane farmers. Even though the total area of sugar cane milled was relatively stable, but the total of sugar production tends to increase from 2013 until 2015. Also for milling capacity and sucrose content in sugar cane was tended to increase.

PG Assembagoes engaged in PKBL activities in 2014 that consisted of the Partnership Program for sugarcane farmers for the amount of Rp1.077.183.000. The priority of the Partnership Program was for sugar cane, so that there was no program for small business. The Community Development fund distributed in 2014 was Rp12.500.000 in the forms of support mosque facility (Rp5.000.000), mass circumcisions (Rp5.000.000), and support the orphan children (Rp2.500.000). In 2015, the budget for Community Development is 2015 for mass circumcission (PG Assembagoes, 2015).