**The role of the Indonesian government in enhancing Cinnamomum burmannii Blume value chain and commercialisation to improve farmers' livelihood**

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**Abstract**

Cinnamon is the most common baking spice in the world. It comes from a small evergreen tree that's part of the *Lauraceae* family. Genus *Cinnamomum* regroups some species whose stem bark is harvested, conditioned and traded as cinnamon in the international market. Over the centuries, the species have been domesticated so that now at least six different ones are grown in Southeast Asia, including Indonesia. Because of its geographical location, Indonesia is very central to the equator; it affects the tropical rainforest as well as the temperature that support the growth of diverse tropical plants including *Cinnamomum burmannii* (Nees & T. Nees) Blume (cinnamon).

Cinnamon is traded in international markets which originated from various locations in Indonesia. The product that consumed is the bark of *C. burmannii* tree which is cultivated commercially throughout Indonesia. The tree grows well in Sumatra, Java, Sulawesi to Maluku, but the largest plantation is located in Jambi province. *C. burmannii* is a spice commodity that has high export value compared to others. The world's demand for this commodity increases along with the high market demand. Therefore, the role of the Indonesian government is significant to be able to guarantee the need for cinnamon in the international market.

In this paper, we will identify the potential Indonesian government resources support in *C. burmannii* value chain improvement and commercialisation. A qualitative survey of smallholder farmers in Kerinci, Jambi Province, Indonesia was designed to surface insights on the relationship of smallholder farmers and government to evaluate their connection to strength within the chain. The survey reveals the different actors can play in improving smallholder incomes. This paper illustrated that many levers affect incomes, requiring input from actors such as local and national government. Some things that can be done to improve the performance of the value chain such as increasing the role of cooperatives in coaching, mentoring to farmers and strengthen the role of government to protect the cinnamon industry through pro-farmer policies. Our findings show that upgrading in value chains is taking place in all its forms, i.e. through investments in high-value products, improvements in operations that produce more efficiently, adopting upstream or downstream chain functions, and utilising competencies from different chains into cinnamon related activities.

***Keywords***: Value chain, livelihood, commercialisation, public policy