

SUMMARY

ANGGRAITA DEWI KUSUMA WARDHANI. Efficiency Analysis “On-Farm” Level for Chicken Broiler Commodities in West Java. Supervised by ARIEF DARYANTO and SETIADI DJOHAR.

Chicken broiler is one type of animal protein from the livestock meat that most consumed by the community. Chicken broiler also has the highest population level when compared with other types of livestock commodities. The rapid downstream industry with such huge poultry consumption that makes upstream industries such as livestock feed, nursery and domestic medicine have promising business opportunities for companies engaged in livestock. But in fact, people's farms are more numerous than large manufacturers are now starting to get rid of because they do not use modern technology and investment constraints. So that a number of large producers then develop a partnership pattern by establishing cooperation with peasant farming through the concept of contract farming between large livestock feed producers and the farmers who raise chickens for a vertically integrated company.

The research data were taken in April 2017 and taken in West Java province and that is Subang Regency, Tasikmalaya Regency, and Ciamis Regency. The farmers as respondents were taken as many as 26 respondents by convenience sampling and spread proportionally in three research districts. The purposes of this research is to analyze the technical efficiency of the broiler business and to identify the factors that influence the technical efficiency of broiler business done by using *Frontier 4.1 software*.

The result of analysis by using *Stochastic Frontier Cobb-Douglass* regression method with decreasing of MLE function shows that some input have real effect to broiler production are seed, feed, and also husk. And it is also seen that average mean efficiency of farmers in West Java is about 0.64 which means it is not efficient yet. This is also the impact of technical inefficiency factors such as age, educational level and farming experience.

Based on this research is still likely from small farmers to increase the scale of their business in order to get maximum results. One way that can be suggested is to establish a cooperative unit where small-scale farmers can get input with prices that tend to be stable, gain market certainty, and increase knowledge and technology about broiler farming.

Keywords: broiler, farming, stochastic frontier, technical efficiency.