DETERMINATION OF AGRO-INDUSTRY AREA BASED ON THE LEADING COMMODITY OF AGRICULTURAL SECTOR IN PROBOLINGGO

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ABSTRACT

The potential of the agricultural sector in Probolinggo hasn't been utilized optimally on industrial activity as a raw material of processing industrial. Based on Spatial Planning Region of Probolinggo on 2010-2029, in order to support the potential of agriculture sector, developing cultivation industrial area of agricultural raw materials (agro-industry) must be done. Then development the area of agro-industry needs to be done in order to add more value for commodities.

The purpose of this study is to determine the area of agro-industries in Probolinggo based on leading commodities of agriculture. The objective is to determine the potential of leading commodities in the development of agro-industries in every district using the LQ and Shift-Share analysis tools, and then determine the weight of determinant factors of agro-industries area using AHP analysis, and determine the area of agro-industries based on leading commodities of agriculture with variable valuation analysis.

Based on the results that there are 18 leading commodities which are grouped into sub-sectors of agriculture there are superior food crops and horticulture, livestock and fisheries subsector. Then, for the determinant priority factors of agro-industry area, there are the raw material availability factor has the greatest weight value (influence's degree) either for food crops and horticulture, livestock subsector, and the fisheries subsector. The districts were selected as the most potential areas to be developed as an agro-industries are the District Tongas for crops and horticultural agro-industry with leading commodities such as...
mango and corn, for agro-industry area in livestock subsector on District Kraksaan with their beef cattle farms leading commodity, and for fisheries agro-industry area on District Paiton with marine fisheries.

**Keywords:** Agro-Industry Area, Leading Commodities, Agriculture sector