

VI. CONCLUSION AND RECOMMENDATION

A. Conclusion

The findings of this study demonstrated that palm oil was indicated in Class D of RCA index with the highest revealed comparative advantage than others. This sector was the strongest and the most competitive commodities in Indonesia's agriculture export commodities. In class B of RCA index there were coconut oil and crude rubber. In class A of RCA index there were rice, banana, pineapple, mangoes, sugar and honey, soybeans, tobacco, cake of coconuts, and coffee.

B. Recommendations

Optimizing the competitiveness of palm oil needs to grow constantly. Facing the hard competition in economy especially for palm oil should be handle-well. The global issues about palm oil such as deforestation, habitat degradation, and climate changes must be managed as good as possible. In order to sustain the competitive position in ASEAN market, Indonesia must optimize and adopt strategic approach in superior agricultural commodities include technology, policy change, and industrial development.