

## **ABSTRACT**

*This research aimed to analyzing the value chain of cassava as a agricultural commodity by taking the value chain mapping, margin, and R/C ratio gained by each party within the value chain, in order to determine the proper strategy to increase the value chain of cassava. Tlogowungu sub district is the center of cassava cultivation in Pati regency. However, the great prospect for production and processing of cassava is not accompanied with the necessary marketing chain and a good organizational structure, thus the value chain does not work properly.*

*Data collection technique is conducted by means of the selection of respondents through purposive sampling method with the amount of respondents, as many as 120 persons and snowball sampling method to determine informant channel as many as 17 persons. The depth interview method for keyperson from academic environment, businessman, government, and community (A-B-G-C) which has the competence in their fields is determined by purposive sampling as many as 6 persons.*

*The result shows that the variety cultivated in Tlogowungu sub district has high HCN content and tastes bitter and therefore is not suitable for direct consumption, but is more suitable for the production of tapioca in Pati regency. The marketing margin of cassava between farmers and wholesale buyers is a mere Rp 250, whereas the marketing margin of cassava between wholesale buyers and millers is Rp 3,350. This is because the cassava has undergone a processing phase. The marketing margin between millers and raw tapioca middlemen (rough tapioca flour) is Rp 0,00 as the middlemen also serves as commissioners. The marketing margin between the raw tapioca middlemen and big traders of tapioca flour is Rp 1.700 and the marketing margin between tapioca waste middlemen and big traders of cassava dregs is Rp 1,150. The person that gets the advantages in this value chain is the big traders of tapioca flour with the margin profit as many as Rp. 1.084,00 per Kg. This is due to the fact that big traders have better access to marketing and are well-informed about the latest market and prices. In other side, the highest R/C achieved by raw tapioca middlemen as many as 6,67, because the marketing activities that barely costless. Improving the value chain is required to make the chain more efficient, so the benefits can be experienced by the farmers.*

**Keywords:** *cassava, value chain, marketing margin, profit margin, R/C*