

THE URGENCY OF THE FARMER CARD POLICY IN IMPROVING THE WELFARE OF FARMERS IN INDONESIA

Abdul Nadjib¹, Deni Gunawan², Ety Sri Hertini³, Nanda Dwi Rizkia⁴
Sintya Purwandaningsih⁵

Universitas Sriwijaya, Indonesia¹ AUI, Malaysia² Universitas Boyolali, Indonesia³
Universitas Nasional, Indonesia⁴ Universitas Islam Syekh Yusuf Tangerang, Indonesia⁵
Correspondensi author email: anadjib.salatti@gmail.com

Abstract

This research aims to (1) describe the scheme for distributing farmer cards to farmers; and (2) describe the urgency of implementing the farmer Card policy in improving the welfare of farmers in Indonesia. This research is qualitative-descriptive research. The results of this research show that (1) the scheme for distributing farmer cards to farmers is carried out through two models, namely non-cash fertilizer assistance funds and subsidized fertilizer quotas; (2) the urgency of implementing the Farmer's Card policy in improving the welfare of farmers in Indonesia, including equalizing agricultural fertilizer prices nationally, subsidized fertilizer policies that can be controlled by the government, and the effectiveness of the farmer's card policy in line with farmers' knowledge regarding the policy.

Keywords: farmer card, improving, urgency.

INTRODUCTION

Indonesia is known as an agricultural country that has vast areas of land that can be used by local people for a livelihood. However, the agrarian or farming sector in Indonesia can not only be used as a livelihood for the population, but can also be used to improve the Indonesian economy (Kurnia, 2022). The agricultural sector has great multifunctional value in increasing food security, farmer welfare, and preserving the environment. Agriculture with a perpetual agricultural land program can be realized if the agricultural sector with its multifunctional value can play a role in the growth of the Indonesian economy. Agricultural development in Indonesia is still considered the most important of overall economic development, especially since the agricultural sector has become the savior of the national economy because of its increasing growth (Dwiarta, 2020; Moeis, 2020).

The lack of capital injection for the agricultural sector is one of the obstacles that farmers must face. Meanwhile, distribution and availability of food depends on financing. Seeding, planting, harvesting and post-harvest are agricultural stages that require quite a lot of money (Rohmanu, 2022). Efforts that can be taken to improve the welfare of farmers and increase food production in a balanced way are by providing credit support to farmers. To overcome this, the government offers a farmer's card program to farmers (Purnawan, 2021).

The farmer's card is a tool used by farmers to redeem subsidized fertilizer. Apart from that, farmer cards can be used as savings for farmers, cash withdrawals, daily shopping, bill payments and inter-bank transfers (Gusti, 2021; Puspita, 2020). To get a farmer's card, farmers must join a farmer's group. The type and amount of subsidized fertilizer received by farmers through farmer cards is in accordance with the land area, commodity and type of fertilizer prepared through a definitive group needs plan (RDKK) by extension workers together with farmers which is then uploaded to the Indonesian Food Management Information System (SIMPI) (Fanani, 2022).

Based on the explanation above, this research aims to (1) describe the distribution scheme for farmer cards to farmers; and (2) describe the urgency of implementing the farmer Card policy in improving the welfare of farmers in Indonesia.

RESEARCH METHOD

This research is qualitative-descriptive research. Qualitative-descriptive research is a type of research that describes research by exploring meaning related to social problems and producing findings in the form (Kusumastuti, 2019). In line with the aim of this research, it is to describe the distribution scheme for farmer cards to farmers and describe the urgency of implementing the Farmer Card policy in improving the welfare of farmers in Indonesia.

The source of research data used in this research is previous studies that are relevant to the farmer card distribution scheme to farmers and the urgency of implementing the Farmer Card policy in improving the welfare of farmers in Indonesia. The data collection technique used in this research is a reading technique in literature that is relevant to the findings and discussion of this research. The data analysis technique used in this research is through data presentation, data reduction, and drawing conclusions from Miles and Huberman's perspective (Huberman & Miles, 2002).

RESULT AND DISCUSSION

Farmer Card Distribution Scheme

Direct Fertilizer Subsidy (SLP) is a form of assistance to purchase fertilizer that is given directly to farmers in the form of cash, coupons, or in kind in the form of fertilizer quotas. Providing assistance to farmers through this mechanism cannot conceptually be classified as a subsidy, but is included in the classification of Social Assistance. The target recipients of SLP are poor and near-poor farmers who cultivate or own <2 hectares of land. To determine the target recipient farmers, in the initial stage the RDKK was used and equipped with updating the district/city Agricultural Extension Management Information System (Simluhtan) in each region. Simluhtan is an online national database of farmers that can be accessed by all parties, which contains data and information including the size of land owned, fertilizer needs, KT administrators and

the Association of Farmer Groups (Gapoktan), the assistance programs they receive and their groups. Simluhtan can also be useful for anticipating the possibility of mistargeting of aid to KT.

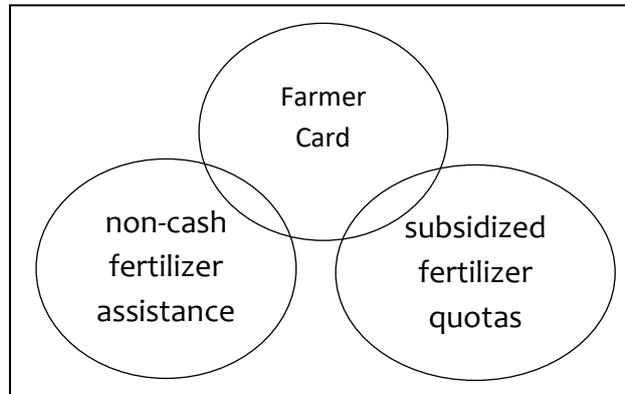


Figure 1. SLP Model

SLP implementation through two models. The first model is through non-cash fertilizer assistance funds which are channeled to farmers' accounts and can only be used to buy fertilizer. The second model is through subsidized fertilizer quotas. Both models use the Farmer's Card as an instrument for collecting assistance. In the non-cash fertilizer assistance model, direct fertilizer assistance funds are distributed directly to the farmer Card. Using the farmer Card is the same as using a debit card (ATM). In the subsidized fertilizer quota model, farmers will receive fertilizer assistance in the form of quotas and can redeem the quota amount with a Farmer's Card, as well as pay market prices for the excess fertilizer quota they wish. The implementation of the SLP quota model is basically the same as the fertilizer subsidy mechanism which is still given to producers to provide a certain amount of stock for the purposes of subsidized fertilizer quotas. In both models farmers can top up money on their farmer Card or pay cash for the excess value of fertilizer taken at the kiosk.

Fertilizer subsidies directly to farmers will be distributed through fertilizer subsidy cards in the form of electronic cards (Kartu farmer) in collaboration with BRI to prepare the electronic cards. SLP distribution stage scheme with Fertilizer Subsidy Card (1) compiling data on farmers receiving fertilizer subsidies (on the basis of RDKK); (2) The Ministry of Agriculture summarizes farmer data per farmer group with the amount of fertilizer needed that can be accounted for; (3) Payment Order (SPM) issued by the Ministry of Agriculture; (4) Fund Distribution Order (SP2D) issued by the appointed KPPN; (5) funds enter the BRI distribution account; (6) The Indonesian Ministry of Agriculture issues a Distribution Order (SPPn) to BRI; (7) BRI issues named KSP to target farmers which have been filled with subsidy funds and transfers the money and lends EDC (electronic data capture) to target retailers; (8) farmers come to retailers with a

Fertilizer Subsidy Card (KSP), Resident Identity Card (KTP), personal money to pay the difference in fertilizer prices and get the fertilizer needed according to the RDKK; (9) the retailer accepts the farmer's claim (by swiping the KSP at EDC); and (10) retailers claim to BRI to obtain replacement money.

The mechanism for purchasing fertilizer with an electronic card is designed in stages (1) the farmer brings the farmer's card that has been registered with the Department of Agriculture to the fertilizer kiosk; (2) the fertilizer kiosk swipes the Farmer's Card at the EDC, followed by a card validation check and balance check by the BRI server as well as a fertilizer allocation check for the farmer concerned; (3) EDC displays fertilizer allocation and farmer data; (4) after the transaction is complete, the fertilizer kiosk hands over the fertilizer to the farmer.

The majority of farmers follow the instructor's directions and support the farmer card program because it is easy to redeem subsidized fertilizer. The majority of farmers attended socialization 2-4 times which was carried out by the government both at the district level through the department and village government assisted by BRI Bank as well as socialization at the group level which was usually delivered through field instructors and group leaders during group meetings. The socialization material presented included an explanation of the farmer card program, the benefits of the program, how to make and use farmer cards and farmer data collection.

Farmer groups have various roles in implementing the farmer card program, including: collecting data on group members and registering for making farmer cards by collecting photocopies of KTP, KK and land SPPT; preparation of RDKK (Definitive Group Needs Plan) for the application of subsidized fertilizer according to land area; socialization and introduction of the farmer card program; redemption or purchase of subsidized fertilizer at retailers. A definitive plan for group needs (RDKK) is prepared by farmer group administrators assisted by extension workers. Farmer groups provide several policies and provide facilities to make it easier for members to redeem fertilizer using farmer cards, including: 1) activation, purchase and redemption of fertilizer are delegated to the group because many elderly farmers have problems accessing banks and many farmers do not have motorized vehicles; 2) the distribution of farmer cards is not evenly distributed so the group creates a policy to help members who have not yet obtained cards by lending fertilizer quotas between group members by mutual agreement; 3) borrowing funds through group cash because many members do not have enough money to buy fertilizer. The group's role is very helpful and makes it easier for farmers to implement the farmer's card program, especially to buy fertilizer, and also makes the group more active.

The Urgency of the Farmer Card Policy in Improving Farmer Welfare in Indonesia

The findings of this research show some urgency in improving the welfare of farmers in Indonesia in line with the implementation of the Farmer Card policy, as follows:

Equalization of Farmer Fertilizer Prices

The difference in distribution of subsidized fertilizer between before and after the existence of the farmer's card influenced fertilizer prices nationally. This difference is because previously fertilizer was sold freely, so farmers could buy it anywhere, even outside the region, and fertilizer was redeemed using cash or directly. Before the implementation of the farmer's card program, fertilizer prices tended to fluctuate due to traders' games, now fertilizer prices are in accordance with the HET (Highest Retail Price) which has been regulated by the government. Before the implementation of the farmer's card program, there were many cases related to the distribution of subsidized fertilizer, including misuse of subsidized fertilizer which resulted in fertilizer shortages and long fertilizer distribution times.

The urgency of the SLP policy for the non-cash fertilizer assistance fund model includes subsidies in the APBN received directly by farmers; fertilizer prices are more competitive; there is no disparity in fertilizer prices, thereby reducing diversion of fertilizer to the non-subsidized sector. The subsidies provided can only be used to buy fertilizer, so that the potential for using subsidies for other uses can be reduced. With fertilizer prices following market prices, the use of subsidized fertilizer becomes more optimal and encourages diversification of farming businesses.

Subsidized Fertilizer Policy Can Be Controlled

The policy of direct subsidies to farmers from producers is considered better than the distribution mechanism through distributors because from a monitoring aspect it will be easier. The policy of direct subsidies to farmers without going through retailers is considered appropriate to increase subsidy efficiency. Distribution, control and supervision of subsidized fertilizer using farmer cards is much more effective than directly because it is in accordance with the 6 principles of accuracy and in line with farmers' expectations.

The existence of the farmer's card program can improve control of fertilizer use according to land area and instructor recommendations. Farmers who receive fertilizer that does not match their land area can be assisted by submitting additional RDKK and additional fertilizer allocations. There is supervision over the distribution of subsidized fertilizer by the government through KP3 (Fertilizer and Pesticide Monitoring Commission) in collaboration with law enforcement officials so that fertilizer is properly distributed to farmers who need it.

Effectiveness of the Farmer Card Program by Increasing Farmers' Knowledge Regarding Farmer Cards

Increasing farmers' knowledge, especially in the aspects of objectives, benefits, guidelines and how to use farmer cards, will increase the use of farmer cards in the redemption and distribution of subsidized fertilizers in accordance with the 6 right principles (type, quantity, place, time, quality, price) so as to increase the effectiveness of implementation farmer card program. There is a significant relationship between farmers' level of knowledge and the effectiveness of implementing the farmer's card program due to the active role of farmer groups in providing information and assistance in implementing the farmer's card program. This assistance is provided in the form of data collection on group members and registration for making farmer cards; preparation of RDKK (Definitive Group Needs Plan) for applying for subsidized fertilizer according to land area; socialization and introduction of the farmer card program; redemption or purchase of subsidized fertilizer at retailers. In this way, farmers can feel the benefits of the program well and in accordance with its objectives.

Increasing farmers' knowledge through socialization obtained by farmers from extension workers, related agencies and BRI Bank makes farmers more aware of the program and makes farmers implement the program by using farmer cards to redeem subsidized fertilizer without any coercion. The role of farmer groups assisted by extension workers to make the group into a learning class and a vehicle for cooperation is very influential in helping farmers carry out their farming business so that success can be achieved. The level of farmer knowledge is very influential in increasing the effectiveness of implementing a program. Information obtained from socialization of the farmer card program which has been implemented by extension workers, related agencies and BRI Bank has made farmers aware of the benefits of the program and farmers are willing to implement the program without any pressure or tension. Running a program with good acceptance and implementation by farmers can increase the effectiveness of a program.

The majority of farmers must participate and support the farmer card program because it is easy to redeem subsidized fertilizer. The farmer card program can be implemented by farmers through farmer groups following the instructor's directions, starting from proposing, issuing to redeeming subsidized fertilizer. There is a strong and very significant relationship between the level of farmer knowledge and the effectiveness of implementing the farmer card program. The higher the farmer's knowledge of various aspects related to the program, the higher the farmer's awareness of the benefits of the program. So you are willing to accept and carry out the program without pressure.

CONCLUSION

Based on the research results and discussion, the conclusion of this research shows that the farmer card distribution scheme to farmers is carried out through two models, namely non-cash fertilizer assistance funds and subsidized fertilizer quotas. In the non-cash fertilizer assistance model, direct fertilizer assistance funds are distributed directly to the farmer Card, while in the subsidized fertilizer quota model, farmers will receive fertilizer assistance in the form of quotas and can redeem the quota with the farmer Card, as well as paying market prices for excess fertilizer quotas. desired.

The urgency of implementing the Farmer's Card policy in improving the welfare of farmers in Indonesia includes (1) equalizing the price of agricultural fertilizer nationally. With fertilizer prices following market prices, the use of subsidized fertilizer becomes more optimal and encourages diversification of farming businesses; (2) the government can control the subsidized fertilizer policy. The policy of direct subsidies to farmers without going through retailers is deemed appropriate to increase subsidy efficiency; and (3) the effectiveness of the farmer card policy is in line with farmers' knowledge regarding the policy.

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