Procedure for procurement of rice through suppliers at Parepare City Bulog Sub-Divum public corporation

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Abstract. This research is motivated by the rice procurement activities carried out through partners (suppliers) in the BULOG general company Regional Subdivision of Parepare City in 2017. This study aims to describe the procedures for procuring rice. This study used descriptive qualitative method. The study was conducted at the BULOG general company, Regional Subdivision, Parepare City, South Sulawesi. The results of the study concluded that the procurement procedure carried out starting from the supplier as a Procurement Partner proposes the procurement of rice to the head of the Regional Subdivision of the City of Parepare, by entering into a Contract of Sale and Purchase with the Working Partner. Furthermore, the Partners will send rice to the designated warehouse based on the agreed contract. Before receiving rice, BULOG warehouse officials will check the eligibility of rice according to the standards set by the BULOG Public Company in the regional sub-division of Parepare City. Rice that is following the standard is received by the head of the warehouse, and payment will be made at BRI Bank Jl. Karaeng Burane No.5 City of Parepare.

1. Introduction
BULOG is derived from the acronym of the Logistics Agency, which historically, the government established BULOG on May 10, 1967, based on the decision of the cabinet presidium No.114/U/Kep/5/1967, with the main objective of securing food supply to uphold the existence of the new Government. The duty of the National Logistics Agency itself is also mandated by Presidential Instruction No. 3 of 2012 concerning Grain/News and Rice Distribution and Rice Distribution Policies by the Government, while the task is first, implementing domestic grain/rice purchasing policies with the provisions of the Government Purchase Price (HPP) [1]. Rice Government Purchase Price or Harga Pembelian Pemerintah (HPP) is the price used by Bulog for rice procurement to build national stock, especially rice [2]. This activity is manifested in the form of procurement of rice and rice in the country by Public Corporation Bulog. The second task, providing and distributing subsidized rice for low-income groups, was realized in the implementation of the RASKIN program. Then the third task is to maintain the stability of rice prices to deal with emergencies, disasters, and food insecurity. The third activity was carried out by Perum BULOG in the form of the management of the Government's Rice Reserve (CBP) [1].

As a rice supply manager, Perum BULOG procures domestic rice (DN) through absorption in each work area of each a Regional Sub Divisions and distributes rice through Raskin distribution, CBP Distribution (Government's Rice Reserve) for emergencies and post-disaster, CBP distribution for
controlling prices, and distributing rice to government institutions [3]. Presidential Instruction No. 13/2005 serves as a reference for Bulog's operations in rice procurement. Rice procurement policy is one of the government's policies as an effort to meet the needs of rice towards food security [4].

Regional Divisions were important to meet rice supplies in each province. Then the performance of the Regional Division should be monitored to see its development. Monitoring procurement performance with a look of fulfillment Regional Sub-Divisions, realization contract partners, and availability of goods that can be measured in value through the realization of contract, is there Regional Division can meet rice procurement following the target planning [5].

There are targets or plans for procurement that can be achieved as much as possible, but sometimes the results of procurement do not reach the target, and may even exceed the target. Of course, this shows that the targets or plans that have been determined do not match the reality of the results on the ground. After carrying out the procurement activities, the rice is then stored in the Bureau of Public Logistics of the State Logistics Agency (Bulog) and is issued following the specified time to be distributed to the public. Based on a research survey, there was a change in the implementation of a medium rice quality inspection in procurement activities [6].

The BULOG South Sulawesi general company in 2017 realized rice procurement amounting to 324,554 tons. Procurement of rice is obtained from absorption in the South Sulawesi region, with an order frequency of 305 times with an average of each time ordering of 1,0641. As for the number of rice distribution needs in one year, that is 73,055 tons [7].

2. Research methodology

The research method used in this research is a descriptive qualitative method. According to Krisyantono, qualitative research is research that describes or explains a problem whose results can be generalized. This qualitative research aims to explain a phenomenon profusely through the collection of data as deep as possible [8]. This research was conducted at the Public Corporation of the Bulog Regional Sub-Division of Parepare City and located on Lapadde Road, Ujung District, Parepare City, South Sulawesi. Determination of location is done intentionally (purposive) because Parepare is one of the areas that establish direct partner relations with rice traders (suppliers) of rice. The sampling technique in this study is the nonprobability technique. Technique non-probability sampling method accidental sampling means that sample by chance [9]. Accidental sampling is a sampling technique based on coincidence, i.e., anyone who accidentally meets can be used as a sample [10].

3. Results and discussion

3.1. Rice Procurement

Rice procurement by partners is a procurement carried out by suppliers who work together with the Public Corporation of Bulog. The rice procurement procedures carried out by the BULOG general company Regional Sub-Division of Parepare City can be seen in figure 1 below as follows.
Figure 1. Procedure for Rice Procurement at the Public Corporation of the Regional Logistics Bureau of Parepare City.

Parepare City Regional Subdivision has realized domestic rice (DN) procurement of 41,368,550/ kg in the January-June 2018 period. This achievement occurred because BULOG and its partners had absorbed farmers’ rice and rice production relatively well. However, in July-December 2017, it dropped dramatically to 29,502,800/kg. This happened because of the decline in supplier rice production.

3.2. Supplier (Supplier) as Procurement Partner (MKP)
Supplier is the party who supplies rice to the State Logistics Agency (Bulog) both domestically and from abroad. Suppliers (suppliers) as Procurement Partners who want to collaborate with BULOG general companies Regional Sub-divisions of Parepare City to sell their rice are required to submit applications to become Procurement Working Partners (MKP).

3.2.1. Partner requirements Procurement (MKP). To become a Procurement Partner in Bulog, the supplier must fulfill several requirements by first submitting the requirements, then the administrative requirements selection process is held, including Notary Deed Request, SIUP, TDP, HO, NPWP, and Power of Attorney. After the partners have fulfilled the requirements, the Head of the Sub-Division determines the quantity, time, and place of the procurement and makes a purchase agreement (PJB) and issues a Delivery Order (DO).

Supplier (Supplier) as Procurement Partner submits a request for rice procurement to the head of the Parepare City Regional Sub-Division.

The head of the Parepare Regional Sub-Division determines the quantum, time, and place of the procurement and makes a purchase agreement (PJB) and issues a Delivery Order (DO).

Work Partners submit guarantee plastic sacks/yarn kuralon.

The head of the regional Subdivision issues a letter of receipt of rice to the head of the warehouse and a letter of quality inspection to the quality inspector.

The Partners make a statement (integrity pact) that the rice delivered to the Public Corporation of BULOG fulfills the requirements set by the general company of the Regional Logistics Bureau of Parepare BULOG.

Rice that is put into the warehouse of the public company of BULOG is examined by the Quality Inspection Officer (PPK).

Rice that meets the requirements is received by the Head of the Warehouse and then stored in the Public Warehouse Company of the Regional Subdivision of Parepare City.

Disbursement of rice payments was made at Bank BRI Jalan Karaeng Burane No. 5.

Rice that has been received and enters the warehouse of the BULOG general company, the Regional Subdivision of the Municipality of Parepare.

The procurement partner submits a request for payment for the rice that has been received and enters the warehouse of the BULOG general company, the Regional Subdivision of the Municipality of Parepare.
partner submits the rice following the letter of a purchase agreement and a letter of receipt of goods for inspection of the quality of rice. Procurement Partners (MKP) deliver rice to the designated warehouse; then, the rice will be inspected by the Quality Inspection Officer (PPK) before being put into the BULOG Public Corporation warehouse. The sample was taken as much as 10% randomly from the amount of cargo carried by the supplier (supplier). Sampling was carried out from each sack using a probe method that is with a sample of 200 grams. The results of the analysis are put in a plastic bag, sealed, then given information.

If the rice is declared acceptable, then the rice can be put into the warehouse of the Public Corporation Bulog unloading rice from the truck to the warehouse is still under the supervision of PPK and the head of the warehouse to keep fraud that may occur during the procurement process while rice that does not meet quality standards will be rejected. Rice that meets the requirements is received by the head of the warehouse then kept by the head of the warehouse of BULOG as proof of rice receipt, the head of the warehouse issues the Daily Recap of Goods Receipt (GD1M) and the quality inspector issues a Quality Inspection Report (LHPK) to be submitted to the procurement partners.

3.2.2. Payment Process. Procurement, The procurement partner, submits a request for payment for rice that has been received and enters the warehouse of the BULOG general company by carrying the Warehouse 1 In (GD1M) document, Evidence of Weighing, Quality Check Results Sheet (LHPK), and Payment Order (SPP). Disbursement of rice payments approved by BULOG public companies is provided by the BULOG Credit Implementing BANK, which has been determined by the general company of BULOG. The BULOG general company provides procurement funds by opening the parent L/C at the office of the Jakarta BULOG General Credit Implementing Bank that has been determined, then will be forwarded to the regional Subdivision through the local BULOG General Credit Business Implementing Bank which is provided by Bank Rakyat Indonesia (BRI) is located at Jalan Karaeng Burane No.5 Parepare.

4. Conclusion
Procurement procedures carried out starting from the supplier as a Procurement Partner proposes procurement of rice to the head of the Regional Sub Division City of Parepare, by entering into a Sales and Purchase Contract with the Working Partner. Furthermore, the Partners will send rice to the designated warehouse based on the agreed contract. Before receiving rice, BULOG warehouse officials will check the eligibility of rice according to the standards set by the BULOG Public Company in the regional sub-division of Parepare City. Rice that is following the standard is received by the head of the warehouse, and payment will be made at BRI Bank JI. Karaeng Burane No.5 City of Parepare.

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