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Evaluation of the Allocation and Reallocation Policy of Subsidized Fertilizer (Case Study: PT. Pupuk Sriwidjaja Palembang)

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ABSTRACT

Subsidized fertilizers are a government policy instrument that aims to maintain national food security through increasing agricultural productivity and farmers' welfare. However, the implementation of the subsidized fertilizer allocation and reallocation policy still faces various obstacles such as distribution delays, quota mismatches, and suboptimal equal access distribution. This study aims to evaluate the policy of allocation and reallocation of subsidized fertilizers in PT. Pupuk Sriwidjaja Palembang uses William N. Dunn's policy evaluation theory which includes effectiveness, efficiency, adequacy, equity, responsiveness, and accuracy. The research uses a descriptive qualitative method with data collection techniques in the form of interviews, observations, and documentation. The research informants consisted of farmers who received subsidized fertilizers and PT. Pupuk Sriwidjaja which is involved in the management of subsidized fertilizers. The results of the study show that the policy of allocation and reallocation of subsidized fertilizers has been quite effective in increasing agricultural productivity. However, various obstacles are still found, especially in terms of distribution, timeliness of distribution, and equitable access. The reallocation mechanism is able to help overcome fertilizer shortages in several areas, but its implementation is still reactive. Therefore, it is necessary to improve the farmer data collection system, improve the accuracy of fertilizer needs planning, and strengthen the distribution system so that the subsidized fertilizer policy can run more optimally.

Keywords: Policy Evaluation, Subsidized Fertilizer, Fertilizer Allocation, Fertilizer Reallocation, PT Pupuk Sriwidjaja

INTRODUCTION

Indonesia is an agrarian country where the majority of its population relies on the agricultural sector for its livelihood. The success of agricultural development is greatly influenced by the availability of production inputs, one of which is fertilizer. Fertilizer plays a strategic role in improving soil fertility, crop productivity, and the quality of agricultural

products (Daniel, 2002). Therefore, the government continues to strive to ensure the availability of fertilizer for farmers through a fertilizer subsidy program (Syafa'at et al., 2006).

Fertilizer subsidies are a form of government intervention to maintain affordable fertilizer prices for farmers, thereby reducing production costs and increasing agricultural productivity (Kariyasa & Yusdja, 2005). This program is also an important part of supporting national food security (Syafa'at et al., 2006). The government, through various regulations, regulates the procurement, distribution, allocation, and reallocation mechanisms for subsidized fertilizers so that they reach eligible farmers (Hadi et al., 2007). However, the implementation of subsidized fertilizer policies still faces various challenges. Problems that often arise include delays in distribution, discrepancies in the amount of fertilizer received by farmers, inaccurate targeting of recipients, and inequality in distribution between regions (Kariyasa & Yusdja, 2005). These conditions can hamper agricultural productivity and reduce the effectiveness of the fertilizer subsidy program designed by the government (Syafa'at et al., 2006).

PT. Pupuk Sriwidjaja Palembang, as one of the companies responsible for the production and distribution of subsidized fertilizer, plays a crucial role in implementing the policy. As the implementer of the Public Service Obligation (PSO), the company is tasked with ensuring fertilizer availability in accordance with the six rights principles: the right type, the right quantity, the right quality, the right time, the right place, and the right price. Data on the allocation and realization of subsidized fertilizer shows an increase in fertilizer allocation from the government, but the realization of distribution has not always been in line with this increase. In fact, in recent years, a gap has been found between the amount of fertilizer allocated and that which has been successfully realized. This condition indicates the need for an evaluation of the subsidized fertilizer allocation and reallocation policies that have been implemented (Dunn, 2018; Subarsono, 2019). Based on these problems, it is important to examine the extent to which the evaluation of the subsidized fertilizer allocation and reallocation policies at PT. Pupuk Sriwidjaja Palembang uses William N. Dunn's policy evaluation theory based on indicators of effectiveness, efficiency, adequacy, equity, responsiveness, and accuracy (Dunn, 2018).

Data collection techniques included in-depth interviews, direct observation, and document analysis, with data validity guaranteed through triangulation and discussions with experts. The research location was at PT Pupuk Sriwidjaja, Palembang City, and the research was conducted from March to May 2026.

RESEARCH METHODS

This study uses qualitative research to describe in depth the evaluation of subsidized allocation and reallocation policies at PT. Pupuk Sriwidjaja in Palembang City. This approach was chosen because it can capture the meaning of an individual or group's experience related to a social phenomenon without needing to rely on quantitative data research. Cresswell (2013) explains that qualitative research is oriented towards efforts to explore and understand

the meaning given by individuals or groups to a social phenomenon. To achieve this goal, researchers conduct in-depth data collection through interview techniques, observation, and documentation (Raco, 2010; Sugiyono, 2023). Furthermore, the data is analyzed inductively to allow for the formation of comprehensive interpretations based on patterns and themes that develop from the empirical data (Raco, 2010).

The research data consists of primary and secondary data. Primary data were obtained through in-depth interviews and observations of parties involved in the management and distribution of subsidized fertilizer, while secondary data were obtained from company documents, laws and regulations, fertilizer distribution reports, and various relevant literature (Arikunto, 2019). Data collection techniques were carried out through interviews, observation, and documentation (Sugiyono, 2023). Next, the data were analyzed qualitatively through data reduction, data presentation, and conclusion drawing to obtain a comprehensive picture of the implementation of subsidized fertilizer allocation and reallocation policies at PT PUSRI (Raco, 2010; Sugiyono, 2023).

RESULTS AND DISCUSSION

Effectiveness of Subsidized Fertilizer Allocation and Reallocation Policy

Research results indicate that the subsidized fertilizer allocation and reallocation policies at PT Pupuk Sriwidjaja Palembang have generally been effective in supporting fertilizer availability for farmers according to their needs during the planting season. The reallocation mechanism is a crucial tool in addressing the imbalance in distribution between regions, ensuring that fertilizer needs in areas experiencing shortages can be promptly met (Dunn, 2018).

However, the policy's effectiveness has not been fully optimized. This is evident in the persistent gap between fertilizer allocation and actual distribution in recent years. This situation indicates that the policy's goal of ensuring maximum fertilizer distribution has not been fully achieved and its implementation still requires improvement (Subarsono, 2019).

Efficiency of Subsidized Fertilizer Allocation and Reallocation Policy

From an efficiency perspective, PT PUSRI has implemented an integrated distribution system with a network of authorized distributors and retailers, allowing for more controlled fertilizer distribution. The reallocation policy also reduces the potential for stockpiling in areas experiencing a fertilizer surplus. However, additional operational costs arise from the process of transferring stock between regions and administrative processes that require cross-agency coordination. Therefore, policy efficiency can be improved through the use of a more accurate and real-time distribution information system (Dunn, 2018).

Adequacy of Subsidized Fertilizer Allocation and Reallocation Policy

The allocation and reallocation policies for subsidized fertilizer have contributed to meeting farmers' fertilizer needs. However, the adequacy of these policies remains challenging, as the amount of fertilizer allocated by the government does not always align

with farmers' actual needs on the ground. This situation has led to fertilizer shortages in some regions during certain planting seasons, despite the implementation of reallocation mechanisms. Therefore, existing policies are not fully able to address farmers' needs (Dunn, 2018; Hadi et al., 2007).

Equalization of Subsidized Fertilizer Allocation and Reallocation Policy

The equity aspect shows that the government has attempted to distribute subsidized fertilizer based on regional needs through allocation and reallocation mechanisms. This system allows for more proportional fertilizer distribution based on land area and the number of beneficiary farmers. However, distribution inequities persist due to differences in regional accessibility, delivery delays, and limited distribution infrastructure. As a result, not all farmers receive fertilizer at the same time as needed during the planting season (Dunn, 2018; Kariyasa & Yusdja, 2005).

Responsiveness of Subsidized Fertilizer Allocation and Reallocation Policies

Policy responsiveness is reflected in the ability of PT PUSRI and the government to respond to changing fertilizer needs in the field. The reallocation policy is a form of government response to conditions of fertilizer shortages or excesses in certain regions. Research shows that this mechanism is quite helpful in addressing distribution issues. However, the speed of response still needs to be improved because the reallocation decision-making process often requires lengthy administrative coordination, potentially hindering the rapid fulfillment of fertilizer needs (Dunn, 2018).

Accuracy of Subsidized Fertilizer Allocation and Reallocation Policies

Policy accuracy relates to the alignment of policy objectives with the needs of the target group. Substantively, the fertilizer subsidy policy is appropriate because it aims to increase agricultural productivity and maintain national food security. However, its implementation still faces several challenges related to the accuracy of recipient targeting, the accuracy of fertilizer quantities received, and the accuracy of distribution time. Therefore, strengthening the farmer data collection system and utilizing digital technology in the fertilizer allocation process is necessary to ensure the policy provides optimal benefits (Dunn, 2018; Syafa'at et al., 2006).

Table 1. Research Results Based on William Dunn's Policy Evaluation Indicators

Indicator	Research Findings	Analysis	Category
Effectiveness	The subsidized fertilizer allocation and reallocation policy has been implemented in accordance with the Minister of Agriculture's Regulation and has been able to support fertilizer availability in most distribution areas. However, discrepancies between allocation and actual distribution have been identified in several periods.	The policy has achieved its main objective of maintaining the availability of subsidized fertilizer, but it is not yet fully optimal because there is still a mismatch between demand and distribution realization.	Quite Effective
Efficiency	PT PUSRI utilizes a network of authorized distributors and retailers to ensure structured distribution. However, the reallocation process requires additional coordination and operational costs for distribution between regions.	Using existing distribution networks can reduce operational costs, but the reallocation administration process still requires simplification.	Efficient
Adequacy	The allocation of subsidized fertilizer has not been fully able to meet the real needs of farmers, especially during certain planting seasons, so reallocation is necessary.	The policy is able to reduce the problem of fertilizer scarcity, but has not completely resolved farmers' fertilizer needs as a whole.	Sufficiently Adequate
Equality	Fertilizer distribution is carried out based on e-RDKK and government regulations. However, access and distribution speeds vary across regions.	The distribution system has prioritized the principle of equality, but geographical factors and logistical conditions still affect equal access to fertilizer for farmers.	Fairly Even
Responsiveness	PT PUSRI and related stakeholders carry out reallocation when there is an imbalance in fertilizer supply and demand in a region.	The reallocation mechanism shows a response to farmers' needs, but the decision-making process sometimes takes quite a long time.	Responsive
Accuracy	The fertilizer subsidy policy is aimed at farmers registered in the e-RDKK system and is in line	In general, the policy has been on target, but data on recipients and	Appropriate

	with the government's target of supporting agricultural productivity.	fertilizer needs still needs to be refined to ensure more accurate allocation.

Data Source: Processed by Researchers

CONCLUSIONS AND SUGGESTIONS

Based on an evaluation using William Dunn's theory, the subsidized fertilizer allocation and reallocation policy at PT Pupuk Sriwidjaja Palembang has generally been running quite well and has contributed to meeting farmers' fertilizer needs (Dunn, 2018). This policy is able to support fertilizer availability in various regions and serves as an instrument to reduce distribution imbalances through a reallocation mechanism when there is a shortage or excess stock in certain areas. The existence of this allocation and reallocation system also demonstrates the efforts of the government and PT Pupuk Sriwidjaja in maintaining the sustainability of the agricultural sector and supporting national food security through the provision of more planned production facilities (Syafa'at et al., 2006).

However, the effectiveness, adequacy, equity, responsiveness, and accuracy of policy implementation still face various obstacles that prevent the policy's objectives from being optimally achieved. Various problems such as the difference between fertilizer allocation and actual distribution, limited fertilizer quantities during certain planting seasons, distribution disparities between regions, and a relatively lengthy administrative coordination process remain challenges in policy implementation. Furthermore, targeting recipients and accurate fertilizer requirement data also require attention to ensure that subsidized fertilizer distribution truly meets farmers' needs in the field (Subarsono, 2019).

Therefore, it is necessary to strengthen inter-agency coordination, improve the accuracy of fertilizer demand data, optimize the distribution information system, and accelerate the reallocation mechanism to improve the quality of implementation of future fertilizer subsidy policies. These efforts are expected to increase the effectiveness of policy implementation, strengthen equitable access to subsidized fertilizer, and ensure that the benefits of the policy are felt more fairly by all farmers. Thus, the allocation and reallocation policy of subsidized fertilizer serves not only as a distribution instrument but also as a crucial part of a sustainable agricultural development strategy and improves farmer welfare in Indonesia (Dunn, 2018; Hadi et al., 2007).

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