COMMISSION IV

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EFFORTS TO STRENGTHEN THE OVERSIGHT OF RICE PRODUCT DISTRIBUTION

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Abstract

Fraudulent practices in rice distribution have caused significant losses to the public, estimated at IDR 99.35 trillion annually. Findings in early July 2025 by the Ministry of Agriculture and the Food Task Force revealed that, out of 212 rice brands inspected, violations were found in the form of non-compliance with standards, adulterated rice, or discrepancies in net weight labeling. This article discusses efforts to strengthen the oversight of rice product distribution. Proposed strategies include reinforcing distribution monitoring through collaboration between the Food Task Force, local communities, and food authorities. In addition, strict law enforcement against violations can create a deterrent effect and provide legal certainty. Lastly, the development of an integrated food information system utilizing blockchain technology is crucial for effective monitoring. Commission IV of DPR RI must continue coordinating with the Ministry of Agriculture to oversee enforcement actions against violations in rice distribution. Furthermore, accelerating the development of an integrated food information system can be supported through amendments to the Law on Food, which is currently included in the 2025 national legislative program.

Introduction

In early July 2025, the Ministry of Agriculture, together with the Food Task Force (Satgas Pangan), announced the discovery of 212 rice brands that failed to meet quality standards or contained adulterated rice. The findings revealed that the majority of these products were marketed as premium rice, but in reality, were of substandard quality. Another issue identified was the discrepancy between the weight stated on the packaging and the actual weight. These fraudulent practices are estimated to cause losses to the public amounting to IDR 99.35 trillion annually ("212 Merek Beras Diduga Oplosan," 2025).

The discovery originated from a police operation in Cikeusal Subdistrict, Serang Regency, Banten, which uncovered the mixing of low-quality rice marketed as premium rice. The product was then distributed to Bogor, Tangerang, Serang, and Cilegon. In response, the Ministry of Agriculture conducted quality testing on 268 rice samples in June 2025, across 10 provinces. The test results revealed

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three major issues. First, non-compliance with quality standards – 85.56 percent of premium rice and 88.24 percent of medium rice failed to meet the required standards. Second, retail prices exceeded the government's highest retail price (HET) – by 59.78 percent for premium rice and 92.12 percent for medium rice. Third, actual net weight was lower than what was stated on the packaging – 21.66 percent lower for premium rice and 9.38 percent for medium rice (Syarahil, 2025).

These findings show that the government is making serious efforts to improve the governance of food distribution, particularly rice. However, further measures are still needed to prevent fraudulent practices that harm consumers. This article explores efforts to strengthen the oversight of rice product quality circulating in the market.

Strengthening the Oversight of Rice Distribution

To prevent fraudulent practices in rice distribution, oversight of the distribution chain must be enhanced. Strengthening oversight can be approached through several key aspects. First, institutional reinforcement. Currently, the responsibility for monitoring rice quality and label-content consistency lies with the Food Task Force (Satgas Pangan). However, the recent findings of fraud indicate the need to strengthen this institution, for example, by reactivating an early warning system at vulnerable distribution points.

Second, integrated and cross-sectoral coordination. The Food Task Force needs to tighten oversight through coordinated efforts involving local governments at both the regency/city and provincial levels, law enforcement agencies, academia, and civil society. Specifically, to ensure public participation, the Task Force could provide easily accessible and responsive complaint-reporting channels. With active public involvement, real-time and accurate information can be gathered on malpractice in rice distribution, such as hoarding, distribution volume reductions, or declining product quality. Public involvement also enhances transparency and fosters a sense of ownership of the food distribution system, particularly rice, thereby creating a culture of shared oversight that promotes accountability and the sustainability of fair and targeted rice distribution.

Third, coordination with food authorities. The Food Task Force should also coordinate with the National Food Agency (Bapanas) concerning rice-related policies. This aims to examine whether existing regulations inadvertently incentivize business actors to engage in fraudulent behavior. Some experts have suggested that one of the drivers behind such misconduct is the government's price ceiling (harga eceran tertinggi, HET) for medium-quality rice, which is considered too low, while the cost of raw materials has increased, resulting in narrow profit margins. Currently, the HET for medium rice is set at IDR 12,500 per kilogram, while the average price of raw materials ranges from IDR 11,300 to IDR 11,400. In addition, processing costs are estimated at IDR 500, and distribution and marketing costs at approximately IDR 300 ("Beras Oplosan Marak Beredar," 2025). Therefore, introducing policies that support business actors in



maintaining fair profits may also help prevent fraudulent practices in the rice trade.

Strengthening Law Enforcement Against Violations

The discovery of fraudulent practices involving 212 rice brands highlights that such misconduct not only harms consumers but also undermines market trust and the stability of food supply chains. In response to these violations, the National Police's Food Task Force, in collaboration with the Criminal Investigation Agency (Bareskrim Polri), has conducted investigations on 10 out of the 212 producers. Intensive investigations were also carried out on four major rice producers with significant market shares: Wilmar Group, Food Station, PT Belitang Panen Raya, and PT Sentosa Utama Lestari (Japfa Group) (Widjajadi, 2025). These investigations may serve as a starting point for reforming rice distribution governance through a risk-based law enforcement approach. This enforcement action was undertaken at the right moment, as the national rice stock is currently abundant, minimizing concerns over potential disruptions in supply ("Polri Tindaklanjuti Laporan Kementan," 2025).

Law enforcement against violations is essential to create a deterrent effect and ensure legal certainty for all actors in the food sector. Enforcement should include objective handling of offenders without discrimination, the imposition of firm yet fair sanctions, and the restoration of consumers' rights to high-quality food that meets established standards. It must also be accompanied by procedural transparency and effective public communication to strengthen public trust in food oversight mechanisms.

Challenges in coordination among law enforcement agencies must also be addressed. These include bureaucratic complexities, limited resources and monitoring technologies, and the dynamics of regional interests. To overcome these issues, policy proposals should include:

- (1) Strengthening real-time digital-based coordination systems;
- (2) Establishing a cross-sectoral and cross-regional special task force; and
- (3) Enhancing the capacity of enforcement personnel through ongoing training programs.

These efforts are expected to be key in building a sustainable food distribution system that is safeguarded against fraudulent practices.

Building an Integrated Food Information System

One of the key efforts to strengthen the oversight of food products, including rice, is the establishment of an integrated food information system. Currently, Indonesia's food information systems remain fragmented and spread across various institutions, such as the Ministry of Agriculture, the National Food Agency (Bapanas), and Bulog. This fragmentation hinders timely and accurate decision-making, particularly during food crises, and opens up space for manipulation.



Therefore, the availability of an integrated food information system is critically important, serving as the foundation for realizing national food security that is adaptive to climate change, global market volatility, and fluctuations in domestic demand. An integrated food system supports data-driven decision-making among stakeholders and ensures transparency and accountability in food distribution and allocation, especially during times of crisis and food insecurity (Maarif, 2025). The development of this system can leverage blockchain technology, which enables real-time, transparent, and verifiable food information management across multiple stakeholders.

The presence of an integrated food information system can also be synergized with rice product registration, as regulated in Minister of Agriculture Regulation No. 53/Permentan/KR.040/12/2018 on the Safety and Quality of Fresh Plant-Origin Food. This product registration aims to ensure product safety and quality, protect consumers from fraud, promote transparency and traceability, uphold fair trade and healthy competition, facilitate government oversight and policymaking, and ensure the legality of business operations (Destryawan, 2025). As such, product registration can be implemented more effectively.

A real-time, integrated food information system can provide a complete and accurate picture of the entire food supply chain, particularly for rice, thereby enabling more effective risk mitigation and response strategies. Consequently, it will enhance the oversight of food distribution—especially rice—and support the achievement of sustainable food security and an equitable distribution system.

Conclusion

The prevalence of fraud in rice distribution—including substandard products, adulterated rice, and discrepancies in net weight—underscores the urgent need to improve rice trade governance in Indonesia. The significant financial losses suffered by the public, along with violations of quality standards and the highest retail price (HET), call for serious action from all stakeholders. At least three key pillars are essential for strengthening rice distribution oversight: First, reinforcing monitoring through multi-stakeholder collaboration that enables real-time information sharing and prevents future fraud; Second, stricter law enforcement to create a deterrent effect; and Third, the development of an integrated food information system utilizing modern technologies such as blockchain.

Commission IV of DPR RI must continue coordinating with the Ministry of Agriculture to oversee enforcement actions against violations in rice distribution. In addition, Commission IV of DPR RI can support the acceleration of integrated food information system development through amendments to the Law on Food, which is currently listed in the 2025 national legislative program.

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