

# Implementation of Warehouse Receipt System in Food Warehouses in Kudus District

Iqbal Faza <sup>a,1,\*</sup>, Hikmah Sekarningtyas <sup>a,2</sup>, Titi Yuni Arti <sup>a,3</sup>, Eka Noviana <sup>a,4</sup>

<sup>1,2,3,4</sup> Politeknik Rukun Abdi Luhur, Kaliwungu, Kudus, 59351, Indonesia

<sup>1</sup> iqbalfaza83@gmail.com \*; <sup>2</sup> hikmah.sekar@gmail.com; <sup>3</sup> yunia9835@gmail.com; <sup>4</sup> ekanovi172@gmail.com

\* corresponding author

## ARTICLE INFO

### Article history

Received :2024-01-15

Revised :2024-02-01

Accepted : 2024-02-04

### Keywords

Agriculture;  
Warehouse Receipt System;  
Bappebti;

## ABSTRACT

*Agriculture is a sector that is able to score growth during the pandemic crisis. The export performance of the agricultural sector also continues to show positive growth. For this reason, real support is needed so that agriculture can continue to grow sustainably. One of them is by building a modern agricultural commodity product storage system, one of which is by using a warehouse receipt system. The warehouse receipt system has very strategic functions, including as a stock management instrument, logistics financing instrument, and supporting food security efforts. Unfortunately, the utilization of the warehouse receipt system in Kudus Regency is still very low, as indicated by the minimal utilization of the warehouse receipt system. This research aims to analyze the reasons why the warehouse receipt system has not been optimally utilized by farmers. This research uses a qualitative method with Miles and Huberman's interactive data analysis, namely: data collection, data reduction, data display, and conclusion drawing/verification.*

*The results of this study indicate that SRG has great potential to improve the welfare of farmers and advance the agricultural sector in Kudus Regency. However, to overcome various obstacles that hinder the implementation of SRG, serious efforts are needed from various parties, namely: Increase public knowledge and awareness about SRG; simplify the process and requirements for using SRG; improve SRG infrastructure, including information systems and warehouses; improve the ability of farmers to obtain financing through SRG; and improve cooperation between related agencies.*

## 1. INTRODUCTION

Food self-sufficiency is very important for a country (Hariyadi, 2010). Because the availability of food independently by a country makes the country politically sovereign and avoids the potential for social turmoil that results in political instability in the country (Prayitno et al., 2022). Countries that have food self-sufficiency will also not be easily dictated by the interests of other countries (Hariyadi, 2013). Food self-sufficiency is the ability of the state and nation to produce diverse food from within the country that can ensure the fulfillment of adequate food needs up to the individual level by utilizing the potential of natural, human, social, economic resources and local wisdom with dignity (Nazam et al., 2011).

The availability of adequate food is a basic right for every human being, the meaning of which is implied in Article 27 of the 1945 Constitution and also stipulated in the 1996 Rome Declaration, which then underlies the issuance of Law No.7/1996, as amended by Law No.18/2012 on Food. "Food Security" as stated in the Law is: "the condition of food fulfillment for the state up to individuals, which is reflected in the availability of food that is sufficient, both in quantity and quality, safe, diverse, nutritious, equitable, and affordable, and does not conflict with the religion, beliefs, and culture of the community, to be able to live healthy, and productive, in a sustainable manner". However, there are challenges that could threaten our country's food security. The seasonal nature of our food commodity production, which tends to fluctuate because it is highly influenced by climate and weather factors, will make food availability difficult to predict (Samidjo and Suharso, 2017). For this reason, a robust and integrated food policy mechanism from upstream to downstream involving all members of the food ecosystem in Indonesia is needed. This is due to the perishable characteristics of our food commodities, limited



production land, inadequate agricultural facilities and infrastructure, and weak harvest and post-harvest handling.

The above facts encourage the government to create the concept of Warehouse Receipt System (SRG). The objectives underlying the SRG concept include the phenomenon of price fluctuations at harvest time. The price instability is potentially detrimental to farmers, this condition is feared to make farmers unmotivated to plant, thus in the long run threatening the stability of national food production. The SRG concept can at least be a solution to four fundamental problems, namely first, SRG can be an alternative source of financing for farmers. The warehouse receipt, as proof of ownership of goods in the warehouse, is a document that has value and can be used as collateral to financial institutions. Second, SRG also functions as a stock management mechanism. Farmers can temporarily store in SRG warehouses during harvest or when commodity selling prices are low, and sell them when prices are high. This concept also serves as the third solution, which is to create price stabilization, where the price gap is not too far. Thus, the existence of SRG warehouses is also expected to be the Fourth solution, which is to create supply chain efficiency.

Judging from its conception, SRG has the potential to provide benefits to many parties, especially farmers as producers of agricultural commodities. However, the facts in the field show that the commodity warehouse of the warehouse receipt system has not been fully utilized to the fullest. Two SRG warehouses in Klaling and Medini villages are currently empty. This is very ironic. SRG warehouses that were built at a high cost with APBN funds and have facilities according to Bappebti standards should be able to play a maximum role for the welfare of farmers and the community. This research seeks to find out how the process and implementation of SRG in the Kudus Regency area, and tries to explore the problems that occur in the field to then provide a critical analysis of the utilization of SRG warehouses that have been running so far.

### **Legal Basis of Warehouse Receipt System**

The Warehouse Receipt System (SRG) in Indonesia has had a legal basis since the issuance of Law Number 9 of 2006 concerning the Warehouse Receipt System as amended by Law Number 9 of 2011. Warehouse receipt, also known as warehouse receipt, is a proof of ownership of goods stored in a warehouse issued by the warehouse manager. Meanwhile, the Warehouse Receipt System is an activity related to the issuance, transfer, guarantee, and settlement of Warehouse Receipt transactions. So in general, SRG is the ownership of goods stored by farmers in the warehouse (document of title) that can be transferred, traded, and even used as collateral without the need for other collateral requirements (Ashari, 2012).

The implementing regulations of the warehouse receipt system are contained in Government Regulation No.36 of 2007 concerning the implementation of Law No.9 of 2006 concerning SRG as amended through Government Regulation No.70 of 2013. In addition, there are several provisions regarding the warehouse receipt system including:

1. Government Regulation No.1 of 2016 concerning the Warehouse Receipt System Guarantee Implementing Agency;
2. Minister of Finance Regulation No. 178 of 2021 on Warehouse Receipt Subsidy Scheme;
3. MOT 66/2009 on the Implementation of Warehouse Receipt Subsidy Scheme;
4. MOT 14 of 2021 concerning Goods and Requirements for Goods that Can be Stored in the Warehouse Receipt System;
5. Financial Services Authority Regulation Number 40 of 2019 concerning Assessment of Asset Quality of Commercial Banks;
6. Technical regulations of Bappebti.

As a securities instrument, warehouse receipts can be traded, traded, exchanged, or used as collateral for loans. In a derivative transaction such as a futures contract, warehouse receipts can be used as a delivery document. However, warehouse receipt derivative transactions can only be issued by banks,

non-bank financial institutions, and commodity futures traders that have been authorized and approved by Bappebti.

Based on Permendag (Minister of Trade Regulation) No. 14 of 2021, there are 20 types of commodities that can be stored in SRG warehouses. They are: grain, rice, corn, coffee, cocoa, pepper, rubber, seaweed, rattan, salt, gambier, tea, copra, tin, shallots, fish, nutmeg, frozen chicken carcasses, white crystal sugar, and soybeans.

As for the technical administration of warehouse receipts and warehouse receipt derivatives which include recording, storage, overbooking of ownership, encumbering security rights, reporting, and providing information systems and networks, it is carried out by the Warehouse Receipt Registration Center where the Registration Center is a legal entity that has received approval from the Supervisory Board to carry out these activities. The warehouse receipt holder is entitled to receive a security right over the Warehouse Receipt in accordance with the Deed of Encumbrment of Mortgage Rights. Furthermore, the Warehouse Receipt Guarantee Agency guarantees the security right in the event of failure, negligence, or inability of the Warehouse Manager to carry out its obligations in storing and delivering goods.

**Development of Warehouse Receipt in Indonesia**

The implementation of the warehouse receipt system began when it was introduced in 2007 as an alternative source of financing for farmers. Until now, the development of SRG has been quite slow.

From Bappebti's data in 2021, the main commodity stored in SRG warehouses is grain, with a value of IDR 483 billion. However, the amount of grain transacted through SRG when compared to the total grain production is still very small. Grain production in 2021 according to data from the Ministry of Agriculture is 54.42 million tons of GKG (Milled Dry Grain). If it is assumed that the price of grain is IDR 5,000/kg, the total value of grain production is equivalent to IDR 272.1 trillion. With the grain entered in SRG only Rp.483 billion, it means only 0.2% of it.

For more details, data on the development of the number, volume and value of Warehouse Receipts for the period 2008-2021 are illustrated in the table below:

Komoditi	TOTAL 2008 -2021*			
	Jumlah Resi	Volume (ton)	Nilai (Rp)	Pembiayaan (Rp)
GABAH	3.047	89.546,78	483.019.345.772	282.412.439.146
BERAS	318	15.690,39	136.758.678.500	73.962.345.509
JAGUNG	164	7.763,39	28.772.039.594	12.261.678.100
KOPI	148	2.433,63	156.746.903.787	98.100.031.063
RUMPUT LAUT	114	6.743,37	92.504.155.000	50.812.125.800
KAKAO	1	3,14	78.500.000	-
ROTAN	3	31,16	264.548.000	-
GARAM	10	701,73	977.498.000	70.000.000
LADA	48	159,58	8.406.884.000	927.508.000
TIMAH	45	225,77	55.788.217.626	39.523.603.016
AYAM BEKU KARKAS	17	74,51	2.132.007.950	1.054.127.810
IKAN	9	208,49	3.610.912.300	2.207.573.490
GKP	-	-	-	-
Kedelai	-	-	-	-
<b>TOTAL</b>	<b>3.924</b>	<b>123.581,9</b>	<b>969.059.690.529</b>	<b>561.331.431.934</b>

**Institutionalization of Warehouse Receipt System**

Research conducted by Sutriyono Edi, Hermanto Siregar, et.al (2019) shows the importance of SRG institutions, especially the role of stakeholders involved in SRG management.

Law No.9 of 2006 has regulated the institutions related to warehouse receipts, namely: Warehouse Receipt Supervisory Agency, Warehouse Manager, Conformity Assessment Agency, Registration Center and Central and Regional Institutional Relations. Later in its development, there are weaknesses, namely the warehouse manager may experience losses, default, experience bankruptcy or not carry out

its obligations to SRG users. For this reason, the SRG institution was enhanced by the issuance of Law No.9 of 2011, which added the Warehouse Receipt Guarantee Institution, which is tasked with guaranteeing business actors (warehouse receipt holders, banks, and warehouse managers). With this warehouse receipt guarantee institution, it is expected that public confidence will increase because it has been protected.

### Value Chain System of Warehouse Receipt System

Mapping the value chain system aims to identify the flow of products and actors involved in the value chain from the producer level to the final consumer level so that it is known which of these actors has the greatest added value in the value chain.



An overview of the flow of warehouse receipt system schemes in Indonesia in the commodity value chain starts from business actors or farmers / farmer groups, cooperatives coming to the designated warehouse by bringing goods / commodities that will be stored in the warehouse. The Conformity Assessment Body (LPK) will conduct a quality test of commodity goods and make a certificate for goods containing information about: number, date of issue, owner's identity, test method, type, nature, quantity, quality, class of goods, quality period of goods and authorized signature.

Meanwhile, the Warehouse Manager will make a Goods Management Agreement containing a description of the goods and insurance. The Warehouse Manager will also issue the Warehouse Receipt (after receiving the registration code from the Registration Center) which contains information about: Title of Warehouse Receipt, Name of Owner, Maturity Time, Value of Goods, and Market Price). The Manager will submit the information to the Registration Center and the Supervisory Body. Warehouse Receipts that have been issued can then be received by farmers or business actors to be immediately cashed at a designated bank or non-bank financing institution, held as an asset, or traded on the auction market (Bappebti, 2014).

## 2. THE PROPOSED METHOD

This study uses a type of qualitative analysis research, namely a research method that produces data in the form of written words from the sources obtained, then the data is analyzed to draw conclusions. Data were obtained from several literature sources as well as interviews with several warehouse stakeholders and practitioners.

## 3. METHOD

This study aims to determine what critical points are contained in the SRG warehouse management process that have the potential to cause SRG warehouse management is not maximized. In addition, it is also to find the most common problems that arise in the management of SRG warehouses. Finally, to provide recommendations for the local government as the owner of the SRG warehouse on the findings obtained from this research.

## 4. RESULTS AND DISCUSSION

The Warehouse Receipt System (SRG) is an instrument that can be used to maintain price stability/inflation of food commodities with a delayed selling mechanism. In addition, warehouse

receipts can be used as collateral to obtain financing from financial institutions, so as to increase financing to business actors, especially Micro, Small and Medium Enterprises (MSMEs), namely farmers, farmer groups, farmer group associations, and cooperatives (Bank Indonesia, 2017). The warehouse receipt system (SRG) is one of the instruments expected to improve farmers' welfare. SRG allows farmers to store their crops in warehouses and obtain financing from banks by using warehouse receipts as collateral. Thus, farmers do not need to sell their crops directly when prices fall, but can wait until prices rise.

In Kudus Regency, SRG has been established since 2009, with the construction of two SRG warehouses in Medini Village and Klaling Village. However, until now, SRG in Kudus has not run optimally. Based on data from the Kudus Regency Trade Office, until 2023, SRG in Kudus has only absorbed around 100 tons of harvested dry grain (GKP). In fact, the initial target of SRG absorption in Kudus is 1,000 tons of GKP per year.

The legal basis for the management of the warehouse receipt system (SRG) in Kudus is as follows:

Law No. 9/2006 on Warehouse Receipt System, as amended by Law No. 9/2011.

1. This law generally regulates the SRG, starting from the definition, objectives, principles, to the procedures for implementation.
2. Government Regulation No. 36 of 2007 on the Implementation of Law No. 9 of 2006 on Warehouse Receipt System, as amended by Government Regulation No. 70 of 2013. This Government Regulation further regulates the procedures for the implementation of SRG, starting from the requirements and procedures for obtaining approval as a warehouse manager, requirements and procedures for storing goods in warehouses, to the procedures for issuing warehouse receipts.
3. Government Regulation No. 1 of 2016 on the Warehouse Receipt System Guarantee Implementing Agency. This regulation regulates the functions, duties, obligations, and authority of the warehouse receipt system guarantee implementing agency.
4. Minister of Finance Regulation No. 187 of 2021 on Warehouse Receipt Subsidy Scheme (SSRG). This regulation regulates the determination of SSRG distributors and SSRG distribution ceilings, distribution patterns, collateral, and warehouse receipt subsidy distribution mechanisms.
5. Regulation of the Minister of Trade No. 66/2009 on the Implementation of Warehouse Receipt Subsidy Scheme.
6. Regulation of the Minister of Trade Number 14 of 2021 concerning Goods and Requirements for Goods that can be stored in the Warehouse Receipt System.
7. Financial Services Authority Regulation Number 40 of 2019 concerning Assessment of Asset Quality of Commercial Banks.
8. Technical Regulations of the Head of the Commodity Trading Supervisory Agency (Bappebti) Based on this legal basis, SRG management in Kudus is carried out by the Kudus Regency Trade Office. The Kudus Regency Trade Office has built two SRG warehouses in Kudus Regency, namely Kudus SRG Warehouse I in Klaling village, Jekulo sub-district and Kudus SRG Warehouse II in Medini village, Undaan sub-district, each with a capacity of 1,500 tons for each SRG warehouse built.

## **Identification of Stakeholders in the Implementation of Warehouse Receipt System in Kudus Regency**

### **1. Farmers**

The amount of agricultural land in Kudus District is 27,987 hectares, with 20,140 hectares of paddy fields and 7,847 hectares of non-rice fields (BPS, 2021). The productivity level of rice in Kudus District ranges between 6.3 and 8.6 tons per hectare, with technical irrigation, rainfed, tidal, and swamp rice fields spread across nine (9) sub-districts, with a total rice field area of 20,140 hectares. The average Kudus farmer only cultivates about 0.5 hectares of land per farmer. With this fairly narrow cultivated land, farmers produce inefficiently (Sinabang.et al, 2021).



One of the challenges faced by farmers today is the rampant land conversion. The increase in population has led to higher residential areas and decreased agricultural land. One solution is to apply various appropriate agricultural technologies. For this reason, old habits need to be changed. Moreover, farming with a technological approach will be much more effective. With the use of technology, farming becomes more effective and the results are much more maximized.

Farmers' activities in the grain production flow include purchasing seeds and production facilities from suppliers, cultivating rice, harvesting, drying grain and selling to distributors (Gapoktan/collecting traders).

Although the Warehouse Receipt System (SRG) has many benefits for farmers, there are still many farmers who have not utilized it. The underlying reasons include: First, due to the lack of understanding of the SRG system and its benefits. This is due to the lack of socialization and education about SRG to farmers. Also, information on SRG is difficult to access by farmers.

Second, because the requirements of SRG warehouses are considered complicated. For example, farmers are required to meet several requirements of having good quality and standardized crops, having ownership documents of crops, having a bank account. These requirements are considered complicated and difficult to fulfill by some farmers.

Third, SRG costs are high. Farmers have to pay storage fees and other costs to use the SRG warehouse. For example, a receiving fee is a fee charged for receiving and inspecting the crops that will be stored in the SRG warehouse. This fee usually includes administrative costs, weighing, and quality testing. In addition, there is also a storage fee, which is the fee charged for storing crops in the SRG warehouse. This fee is usually calculated on a per-day or per-month basis. Storage fees may vary depending on the type of commodity, length of storage, and type of warehouse. Other costs include insurance costs, administration costs, packing costs, loading costs, handling costs, monitoring costs, fumigation costs, and so on. All of these costs are considered high and burdensome for some farmers.

Fourth, farmers' trust in SRG warehouses is still low. There are concerns from farmers regarding the safety of crops stored in SRG warehouses. Farmers also have concerns about the process of disbursing the proceeds from the sale of crops.

## 2. Collectors/Merchants

Collectors play an important role in the distribution of rice in Kudus. They act as a link between farmers and wholesalers or retailers. Collectors buy rice from farmers and then resell it to wholesalers or retailers.

Rice collectors/traders help farmers to sell their harvest. Collectors play an important role in helping farmers to sell their harvest. They usually buy rice from farmers in large quantities, so farmers do not have to worry about finding buyers. Collectors also play a role in supplying rice to large traders or retailers. They usually have a large stock of rice, so large traders or retailers can buy rice from them at any time. Collectors also play an important role in helping to stabilize the price of rice. They usually buy rice from farmers at a fair price, so the price of rice in the market is not too high. Collectors usually operate at the local or regional level. They usually have good relationships with farmers and large traders or retailers.

The problem currently faced by collectors is that the market price of rice often fluctuates, so collectors must be careful in determining their purchase price from farmers. Erratic weather conditions can also affect farmers' yields, which can have an impact on the availability of rice. Competition in the rice business is intense, so collectors must have the right strategy to compete.

Despite these challenges, collectors still play an important role in rice distribution in Indonesia. They play an important role in helping farmers to sell their crops, providing rice to wholesalers or retailers, and helping to stabilize rice prices.

## 3. Cooperatives

In the SRG system in Kudus Regency, there are at least 2 cooperatives that were initially nominated as SRG managers. They are Ngudi Mulyo Cooperative - Jekulo and Barokah Tani Cooperative - Undaan. However, in its journey, the cooperative has not been able to carry out its role

optimally. There are several factors that cause the role of cooperatives to not be maximized in supporting the distribution of rice under the SRG system, namely: First, cooperatives do not have adequate infrastructure and capacity. Cooperatives in Indonesia generally still have limited infrastructure and capacity. This is due to various factors, such as limited capital, human resources, and technology. Second, cooperatives do not have good coordination with related parties. Good coordination between cooperatives and related parties, such as the government, Bulog, and traders, is essential to support the distribution of rice under the SRG system. However, coordination between cooperatives and these related parties is still not optimal. Third, cooperatives do not have a good understanding of the SRG system. The SRG system is a new system in Indonesia, so many cooperatives do not have a good understanding of this system. This causes cooperatives to not be able to utilize the SRG system optimally.

Some suggestions that can be made to improve the role of cooperatives in supporting rice distribution under the SRG system include providing support to cooperatives in terms of infrastructure, capacity, and coordination. This is primarily the direct responsibility of the government. In addition, cooperatives also need to improve their understanding of the SRG system. Cooperatives can conduct training and socialization on the SRG system to their members and management. To improve coordination with related parties, cooperatives can conduct regular meetings with related parties to discuss problems and find solutions together. With support from the government and increased capacity of cooperatives, it is expected that the role of cooperatives in supporting rice distribution under the SRG system can increase.

#### **4. PT Atma Mulia Jaya (Warehouse Management Company)**

As the warehouse manager, PT Atma Mulia Jaya (PT AMJ) has an important role in SRG warehouse management. They are responsible for managing the SRG warehouse, including storage, maintenance, and supervision of stored goods. PT AMJ as the warehouse manager is responsible for receiving and storing the goods delivered by the owner of the goods. They must ensure that the goods are stored safely and in accordance with established standards. PT AMJ is also responsible for maintaining the goods stored in the warehouse. They must ensure that the goods remain in good condition and undamaged, safe from theft or damage. Warehouse managers are responsible for monitoring the quality of goods stored in the warehouse. They must ensure that the goods remain in good quality. Warehouse managers are responsible for issuing Warehouse Receipts to the owner of the goods. The Warehouse Receipt is a document that states that the goods stored in the warehouse have been guaranteed by the Government.

Warehouse managers must have adequate competencies and skills to carry out their duties. They should have knowledge of the SRG system, warehouse management and food safety. The Kudus Regency Government in collaboration with Bappebti has conducted a beauty contest to find a suitable candidate for the manager. Beauty contest is a procurement method in which several prospective participants are invited to present their proposals. The best bids are then selected based on an assessment of the participants' qualifications, experience, and financial capability. Beauty contest is considered suitable because managing SRG warehouses requires special qualifications and experience. SRG warehouse management is also considered to require innovative and creative solutions, so the beauty contest is considered appropriate. However, PT AMJ as the winner of the beauty contest soon left the management of SRG in Kudus Regency. The reason was that the business process in Kudus was not considered feasible.

#### **5. Rice Milling Unit (RMU)**

Rice Milling Unit (RMU) is a facility used to grind grain into rice. RMUs can be used in the SRG system to increase the added value of rice stored in the warehouse. This is because rice has a higher selling value than grain, so milling grain into rice can increase farmers' income. The RMU facility can improve logistics efficiency by reducing the need for grain transportation. By milling the grain into rice near the production site, farmers can avoid expensive transportation costs. In addition, the presence of RMUs can increase the availability of rice by providing ready-to-consume rice. By milling the grain into rice in a warehouse, farmers can make rice available to consumers in need.

Although RMUs do not have a large enough drying floor, this can be overcome by the dryer system available at the RMU in the SRG warehouse.

RMUs can be owned and managed by various parties, including farmers, cooperatives, or private companies. The government can also provide support to farmers to build RMUs. With RMUs managed by farmers, it is expected to improve the welfare of farmers. This is because milling grain into rice can increase farmers' income. RMUs managed by farmers and close to the production location will increase logistical efficiency. Milling grain into rice can directly reduce transportation costs. Furthermore, it will also increase the availability of rice. Milling grain into rice can provide rice to consumers in need. Thus, the utilization of RMUs in the SRG system can help improve farmers' welfare, logistical efficiency, and rice availability.

## 6. BULOG (Badan Urusan Logistik)

The issuance of receipts is based on the grain stored by farmers that must meet the quality test requirements conducted by BULOG. The grain must meet the requirements of 14% moisture content and 3% void content, and will be tested directly in the warehouse by BULOG at the request of the SRG warehouse manager.

Actually, BULOG (Badan Urusan Logistik) has an important role in the SRG system. BULOG can act as a provider of government guarantees for Warehouse Receipts issued by Warehouse Managers. This government guarantee provides certainty to the owner of the goods that they can sell the Warehouse Receipt to other parties. BULOG can also provide warehouse services for farmers or other business actors who want to store their goods in the SRG system. Warehouse services provided by BULOG may include storage, maintenance, and supervision of goods. Furthermore, BULOG can provide information about the SRG system to farmers, business actors, and the general public. This information can help farmers and businesses to understand the SRG system and utilize it optimally. From this description, it is clear that BULOG has an important role in supporting the implementation of the SRG system. BULOG can help increase farmers' and business actors' trust in the SRG system. In addition, BULOG can also help improve the efficiency and effectiveness of the SRG system.

The presence of BULOG in the SRG system can increase the trust of farmers and businesses. Government guarantees provided by BULOG can increase farmers' and businesses' confidence in the SRG system. Warehouse services provided by BULOG can help improve the efficiency and effectiveness of the SRG system. In addition, information provided by BULOG can help improve public understanding of the SRG system. Finally, utilizing BULOG's role in the SRG system can help improve the effectiveness of the SRG system and support national food security.

## 7. Insurance

Insurance has an important role in the SRG system. Insurance can provide protection to the owner of the goods against the risk of loss that may occur. Insurance can provide protection to the owner of the goods against the risk of loss that may occur, such as the risk of fire, theft, and damage. This protection can help the owner of the goods to reduce losses that may occur. The protection provided by insurance can increase the confidence of farmers and business actors in the SRG system. Farmers and businesses will be more confident to store their goods in warehouses if they have protection against the risk of loss. Insurance can also help improve the efficiency and effectiveness of the SRG system. Owners of goods will not have to incur large costs to repair or replace damaged or lost goods if they have insurance. Insurance can help increase the availability of rice. Farmers will be more willing to store their crops in warehouses if they have protection against the risk of loss. This can help increase the availability of rice in the market.

Some types of insurance used in the SRG system include:

- a. Fire insurance. Fire insurance can provide protection against the risk of fire that may occur to the goods stored in the warehouse.
- b. Theft insurance. Theft insurance can provide protection against the risk of theft that may occur to the goods stored in the warehouse.



- c. Damage insurance. Damage insurance can provide protection against the risk of damage that may occur to the goods stored in the warehouse, such as damage due to natural disasters or human negligence.

## 8. End Buyer

The end buyer is one of the main stakeholders in SRG. The existence of a stable and reliable end buyer is essential to ensure the success and smooth running of the SRG system. End buyers play an important role in the Warehouse Receipt System (SRG) as they are the final determinants of the value and demand for commodities stored in the warehouse. The presence of a stable and reliable end buyer provides market assurance for farmers and warehouse owners, thus encouraging them to use SRG.

Final buyers determine the price of commodities stored in the warehouse based on quality, market demand, and economic conditions. Competitive and stable prices will attract farmers and warehouse owners to use SRG. The existence of a stable and reliable end buyer guarantees a market for farmers and warehouse owners. This is important to reduce the risk of price fluctuations and ensure that stored commodities can be sold at a fair price.

End buyers usually have high quality standards for the commodities they purchase. This encourages farmers and warehouse owners to improve the quality of their commodities to meet the demands of end buyers.

SRG-integrated end buyers can also help improve supply chain efficiency. This can be done by reducing the cost of storage, transportation and distribution of commodities. SRG supported by stable end buyers can help improve food security by ensuring stable and affordable commodity availability for the community.

## 9. Banking

Banking has an important role in supporting the smooth running of the Warehouse Receipt System including:

### a. Financing Provider:

- 1) Banks provide credit to farmers, entrepreneurs, and non-bank financial institutions that want to use SRG as a financing instrument.
- 2) This credit can be used to finance activities such as the purchase of crops, storage, processing, and marketing.
- 3) Banks can also provide credit to warehouse managers to build and upgrade their warehouse infrastructure.

### b. Transaction Facilitator:

- 1) Banks provide fund transfer and settlement services for SRG-related transactions.
- 2) This helps to simplify and speed up the trading process and improve the efficiency of the SRG system.
- 3) Banks can also provide hedging services to help parties involved in SRG protect themselves from the risk of commodity price fluctuations.

### c. Risk Guarantor:

- 1) Banks can act as credit guarantors for farmers and entrepreneurs who wish to use SRG.
- 2) This helps improve access to credit and encourages the use of SRG.
- 3) Banks can also provide insurance services to protect crops stored in SRG warehouses from damage and loss.

### d. Advisory Service Provider:

- 1) Banks can provide advisory services to farmers, entrepreneurs, and non-bank financial institutions on SRG.
- 2) This helps improve the parties' understanding of SRG and encourages the use of SRG.
- 3) Banks can also assist parties in developing and arranging financing schemes that suit their needs.

However, the function of banks in the development of SRG is still not optimal due to several factors including: Banking officers' understanding of SRG and its benefits is still low. Banking officers are still not familiar with the mechanisms and risks associated with SRG. The next factor is that banks still consider SRG as a high-risk instrument because the value of stored commodities can fluctuate. Concerns regarding the quality and quantity of commodities stored in SRG warehouses also add to the risk assessment by banks. For farmers, banking requirements for SRG credit are relatively strict, such as additional collateral and high interest rates. In addition, the SRG lending process is long and convoluted. The lack of supporting infrastructure in some SRGs, such as warehouses and information systems, is still inadequate in some areas and the lack of credit guarantee institutions for SRG makes banks less interested in lending under the SRG scheme.

#### 10. District Government

The development of SRG in Kudus Regency has received attention from the local government, especially the Department of Industry and Trade and also the Department of Cooperatives and SMEs of Kudus Regency. The Department of Industry and Trade of Kudus Regency plays a role in conducting socialization to business actors related to SRG. In addition, it also plays a role in encouraging cooperatives to be able to fulfill the application requirements as warehouse managers. It also provides support in terms of providing facilities and infrastructure as well as monthly funds for electricity payments and incentives (honorarium) for cooperative management. The Department of Industry and Trade of Kudus Regency also has the authority to issue letters of appointment to cooperatives as SRG Warehouse managers.

#### 11. Commodity Futures Trading Regulatory Agency (*lit.* Badan Pengawas Perdagangan Berjangka Komoditi/Bappebti)

Bappebti carries out its functions through three main pillars, namely Guidance; Regulation; and Supervision. Guidance functions include drafting and establishing regulations related to SRG, including licensing, supervision, and quality standards. Conducting socialization and education on SRG to stakeholders, including farmers, business actors, banks, and the wider community. Facilitate the development of SRG infrastructure, such as warehouse construction and information systems. Develop and publish guidebooks and educational materials on SRG.

Regulatory function is carried out by licensing and supervising SRG business actors, including warehouse managers, Security Guarantee Institution (LPK), and Registration Center. Setting standards for the quality and quantity of commodities that can be stored in SRG warehouses. Monitor and ensure the smoothness and transparency of SRG transactions. Resolving disputes related to SRG.

The Supervisory function is carried out by supervising the implementation of SRG activities in accordance with applicable regulations. Conducting routine inspections of SRG warehouses to ensure the security and accuracy of stored commodity data. Imposing sanctions on SRG business actors who violate regulations. Take corrective measures if problems are found in the implementation of SRG.

## 5. CONCLUSION

From the explanation above, it can be seen that the Warehouse Receipt System (SRG) has great potential to improve efficiency and access to financing for the agricultural sector in Kudus Regency. However, the implementation of SRG in Kudus is still not optimal and has not achieved its goals to the fullest. There are at least 5 factors that cause SRG to not run optimally:

1. Lack of understanding: Many parties, including farmers, business actors, and banks, do not fully understand the concept and benefits of SRG.
2. Complicated requirements: The process and requirements to use SRG are still considered complicated and convoluted.
3. Inadequate infrastructure: The number of SRG warehouses available is still limited, and supporting infrastructure such as information systems and logistics has not been optimized.
4. Limited access to financing: Banks are still unfamiliar with SRG and not many provide special credit for SRG.
5. Lack of coordination between agencies: Coordination between relevant agencies, such as the Ministry of Agriculture, Bappebti, and the Ministry of Finance, still needs to be strengthened.

SRG has great potential to improve farmers' welfare and advance the agricultural sector in Kudus Regency. However, serious efforts are needed from various parties to overcome various obstacles that hinder the implementation of SRG. These efforts must be done thoroughly and continuously, including:

1. Increase education and socialization about SRG to all parties.
2. Simplify the process and requirements for using SRG.
3. Improving SRG infrastructure, such as warehouses and information systems.
4. Improving access to financing for farmers through SRG.
5. Strengthening coordination between related agencies.

By overcoming various obstacles and increasing cooperation between parties, it is expected that SRG can be optimized to achieve its objectives and provide benefits to all parties involved. Therefore, serious efforts need to be made to overcome various obstacles and encourage effective and efficient SRG implementation.

### Acknowledgment

This journal article was written by Iqbal Faza, Hikmah Sekarningtyas, Eka Noviana, and Titi Yuni Arti, D-III Logistics Management Study Program, Rukun Abdi Luhur Kudus Polytechnic based on the results of research ("Implementasi Sistem Resi Gudang Pada Gudang Pangan di Kabupaten Kudus") which was funded by the Research and Community Service Unit of the Rukun Abdi Luhur Kudus Polytechnic (UPPM Politeknik Rukun Abdi Luhur Kudus) through the Beginner Lecturer Research Program in 2023 (Program Penelitian Dosen Pemula 2023). The contents are entirely the responsibility of the authors.

### REFERENCES

- [1] Achmad Fachruddin & Lestari Rahayu (2017). "Evaluasi Prasyarat Keberhasilan Sistem Resi Gudang di Kabupaten Bantul". *AGRARIS-Journal of Agribusiness and Rural Development Research*. Vol 3 No.2 Juli 2017. 103-111.
- [2] Ashari. (2011), Potensi dan Kendala Sistem Resi Gudang (SRG) untuk Mendukung Pembiayaan Usaha Pertanian di Indonesia. *Forum Penelitian Agro Ekonomi*, Volume 29 No.2: 129-143.
- [3] Badan Pusat Statistik (2021). "Kudus Dalam Angka 2021" diakses pada 20 Agustus 2023 <https://kuduskab.bps.go.id/publication/2021/02/26/8ccab7632fc4dda34e73d8e3/kabupaten-kudus-dalam-angka-2021.html>
- [4] Bagas Haryotejo, (2013). "Analisis Korelasi Faktor yang Mempengaruhi Implementasi Sistem Resi Gudang (SRG) di Daerah" *Jurnal Bina Praja*, Vol 5 Nomor 2 Edisi Juni 2013: 91-100.
- [5] Endang dan Moh Mustofa, (2018). "Analisa Faktor-Faktor yang Menjadi Kendala Pelaksanaan Sistem Resi Gudang (SRG) Kabupaten Bojonegoro" *Journal Research and Analysis: Economy*, 45-51.
- [6] Erma Suryani, Erwidodo, Iwan Setiadje Anugerah (2014). "Sistem Resi Gudang di Indonesia : Antara Harapan dan Kenyataan". *Analisis Kebijakan Pertanian*. Vol 12 No.1 Juni 2014: 69-86.

- [7] Hariyadi, P. (2010). Penguatan Industri Penghasil Nilai Tambah Berbasis Potensi Lokal Peranan Teknologi Pangan untuk Kemandirian Pangan. *PANGAN, Vol. 19 No. 4 Desember 2010: 295-301, 19(4), 295-301*.
- [8] Hariyadi, P. (2013). Penganekaragaman Pangan: Peranan Industri untuk Penguatan Ketahanan Pangan Mandiri dan Berdaulat. *Disampaikan pada Simposium Pangan Nasional Indofood, 2-3*.
- [9] Khoirul Hidayah (2021). “Analisis Kritis Pengaturan Sistem Resi Gudang dalam Mendukung Sektor Pertanian di Indonesia”. *De Jure-Jurnal Hukum dan Syariah*. Vol 13 No 2: 156-169.
- [10] Matthew B Miles dan A Michael Huberman Penerj. Tjetjep Rohendi Rohidi Mulyarto. *Analisis Data Kualitatif: Buku Sumber Tentang Metode-Metode Baru*. 1992.UI Press : Jakarta.
- [11] Nazam, M., Sabiham, S., Pramudya, B., & Rusastra, I. W (2011). Penetapan Luas Lahan Optimum Usahatani Padi Sawah Mendukung Kemandirian Pangan Berkelanjutan Di Nusa Tenggara Barat. *Jurnal Agro Ekonomi, 29(2), 113-145*.
- [12] Prayitno, G., Hasyim, A. W., Subagiyo, A., Dinanti, D., & Roziqin, F. (2022). *Ruang Berketahanan Pangan: Menjawab Tantangan Produksi Pangan Berkelanjutan dengan Optimasi Keruangan Menuju Indonesia Berdaulat*. Universitas Brawijaya Press.
- [13] Samidjo, J., & Suharso, Y. (2017). Memahami pemanasan global dan perubahan iklim. *Online Journal of Ivet University, 24(2), 36-46*.
- [14] Sinabang, L., Anggraeni, D., & Aliudin, A. (2021). Elastisitas Produksi Dan Efisiensi Penggunaan Faktor Produksi Padi Sawah Pada Berbagai Tingkat Luas Lahan Garapan Di Kabupaten Tangerang. *Jurnal Ilmu Pertanian Tirtayasa, 3(2)*.
- [15] Sutriyono Edi, Hermanto Siregar, Lukman Mohammad Baga, Arif Imam Suroso, (2019) “Analisis Pemangku Kepentingan Rantai Pasok Rumput Laut Indonesia Berbasis Sistem Resi Gudang”, *Buletin Ilmiah Litbang Perdagangan, Vol 13, No.2, 281-308*.