

Supervision of the Distribution of Non-Subsidized Industrial Solar Fuel Oil in Bitung City

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Abstract

The purpose of this study is to describe, analyze and describe how the supervision of the distribution process of Non-Subsidized Fuel Oil - industrial diesel by channeling agents in Bitung City. The research method uses a qualitative approach. Data collection techniques with interviews, documentation studies and observation. The results showed that the supervision of the distribution of Industrial Solar Non-Subsidized Fuel Oil in Bitung City has not been implemented properly because it was found that there are business actors who have been operating and distributing Industrial Solar Non-Subsidized Fuel Oil from Bitung City to commercial areas within Bitung City and its surroundings without licensing so that the volume and quality of supply cannot be monitored and evaluated. In addition, there are business actors who take care of licensing and reporting later after an inspection by the Investigator appointed by the Downstream Oil and Gas Regulatory Agency.

Abstrak

Tujuan dari Penelitian ini adalah menggambarkan, menganalisa dan mendeskripsikan bagaimana pengawasan proses pendistribusian bahan Bakar Minyak Non Subsidi – solar industri oleh agen penyalur Di Kota Bitung. Metode penelitian menggunakan pendekatan kualitatif. Tehnik pengumpulan data dengan wawancara, studi dokumentasi dan observasi. Hasil penelitian menunjukkan bahwa pengawasan distribusi Bahan Bakar Minyak Non Subsidi Solar Industri di Kota Bitung belum terimplementasi dengan baik karena ditemukan ada pelaku usaha yang telah beroperasi dan melakukan distribusi Bahan Bakar Minyak Non Subsidi Solar Industri dari Kota Bitung ke wilayah perniagaan di dalam Kota Bitung dan sekitarnya tanpa perizinan sehingga tidak dapat diawasi dan dievaluasi volume dan kualitas supplynya. Selain itu, Ada pelaku usaha yang mengurus perizinan dan pelaporan nanti setelah dilakukan pemeriksaan oleh Pihak Penyidik yang ditunjuk oleh Badan Pengatur Hilir Migas.

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1. INTRODUCTION

Oil and gas are one of the natural resources and riches that will run out and require a long time and process to be produced again. In Law of the Republic of Indonesia Number 22 of 2001 concerning Oil and Natural Gas, it is considered that oil and natural gas are non-renewable strategic natural resources, controlled by the state and controlling the lives of many people. One of the processed products is fuel oil which plays a crucial role in daily life for both society and industry.

In the 1945 Constitution, Chapter IV, Article 33 paragraph 2, it is stated that "Branches of production which are important for the State and which affect the lives of many people are controlled by the State. Paragraph 3 The earth and water and the natural resources contained therein are controlled by the State and intended for the greatest prosperity of the people.

Continued in the Circular Letter for the Implementation of Distribution of BBM, BBG and LPG, circular letter No. BBM, BBG and LPG. 14.E/HK.03/DJM/2021 Concerning Provisions for Distribution of Fuel Oil through Distributors: 1) In accordance with the provisions in: Article 1, number 16 and Article 48 of Government Regulation no. 36 of 2004 concerning Downstream Oil and Gas Business Activities as amended by Government Regulation no. 36 of 2004 concerning Downstream Oil and Gas Business Activities, as amended by Government Regulation no. 30 of 2009 concerning amendments to Government Regulation no. 36 of 2004 concerning Downstream Oil and Gas Business Activities. 2) Regulation of the Minister of Energy and Mineral Resources No. 13 of 2018 concerning Distribution Activities of Fuel Oil, Fuel Gas, and liquidated Petroleum Gas, and 3) Attachment I Chapter VII Regulation of the Minister of Energy and Mineral Resources No. 5 of 2021 concerning Business Activities and Products in the Implementation of Business Licensing Based on the Risks of the Energy and Mineral Resources Sector, Fuel Oil Distribution Activities are carried out with the following conditions:

(1) General Commercial Enterprises (BU-PIUNU) are obliged to supervise the Fuel Oil Distribution activities carried out by distributors (SPBU/SPBN) carried out by Retailers (with the aim of making a profit). (2) Distributors are prohibited from distributing Fuel Oil or selling Fuel Oil to PIUNU. (3) Distributors in carrying out Fuel Oil Distribution Activities are entitled to receive margin fees, incentives or price reductions from BUPIUNU. (4) BUPIUNU is responsible for distribution activities, including if violations occur in the distribution of fuel oil by distributors. (Source: Circular of the Minister of Energy and Mineral Resources, Thursday 30 September 2021).

The study problem in this thesis research is the management of supervision over the distribution of Non-Subsidized Fuel Oil, specifically Industrial Diesel by Distribution Agents in Bitung City. Even though North Sulawesi, specifically Bitung City, does not yet have an oil and gas refinery source, oil and gas management to answer community needs is still needed, especially regarding procedures, mechanisms and conditions for licensing, distribution and delivery of oil and gas.

The facts on the ground are that the government policy, namely that General Commercial Enterprises (BU-PIUNU) are required to supervise Fuel Oil Distribution activities carried out by Distribution Agents, has not been fully implemented. This is proven by the existence of people who sell fuel such as; Diesel, Pertalite, LPG and others are retailed on roadsides without permits or oil and gas business actors without having complete permits in accordance with applicable regulations. Meanwhile, on the other hand, monitoring of the number of sales and distribution from distributors to gas stations and/or corporate business actors and retail sellers cannot be carried out because they are not recorded.

The policy of prohibiting the sale of oil and gas freely was made on the grounds that small (retail) kiosks without permits do not meet safety and aesthetic requirements. Many disasters occur, such as accidents, fires, theft and others, due to small kiosks not meeting the specified requirements. Not only that, danger also threatens when fuel distribution is carried out by business actors with fleets that do not meet the requirements.

In addition, from the results of interviews with small kiosk entrepreneurs, there is a tendency for fraud to occur. Because measuring instruments do not use standard measurements set by the government. For example, diesel and pertalite are only measured in bottles or jerry cans, not with a "liter" meter, where for every 10 liters sold there will be a difference of 1 liter. So in addition to selling, you get a profit from the set price, also from the difference in bottles sold. For example, the price of pertalite set by the government is IDR 10,000/liter, in kiosks it sells for an average of IDR. 12,000 to Rp. 14,000/liter.

For Business Entities with a General Commercial License, there is routine supervision and the dosage is always tested periodically. However, it still needs to be monitored continuously because it is suspected that there are "Naughty" Distribution Agents (SPBU/SPBN) who sell fuel to small entrepreneurs (retailers) using cars specially designed for storage and/or direct purchases by small kiosk owners to get a fee profit from buyers.

This occurs due to a lack of supervision from official agents in accordance with the regulations of the Minister of Energy and Mineral Resources where General Commercial Enterprises (BU-PIUNU) are required to supervise Fuel Oil Distribution activities carried out by distributors (Retail) (SPBU/SPBN). Based on the background of the problem as stated above, the author is interested in conducting research on "Supervision of Diesel Fuel Distribution Industry in Bitung City"

2. METHOD

This research aims to discover, understand, and explain current phenomena. The naturalistic approach is intended to examine specifically, in detail and in depth a problem by seeking as much information as possible in order to reveal a phenomenon. Bogdan & Taylor, (1992).

In describing these phenomena, this research does not use statistical procedures or other means of quantification, but rather inductively where the researcher is the main tool.

Meanwhile, the research location refers to the interest in developing substantive theory from the field regarding supervision at the research location, namely Bitung City

Data sources in this research can be divided into two sources, namely: humans/people and non-humans. Human data sources function as subjects or key informants.

Since this research concerns the issue of monitoring the distribution of Non-Subsidized Industrial Diesel Fuel, the sources of data/informants in this research are: Oil and Gas business entities, distributors, consumers, companies using Industrial Diesel Fuel.

The data collection technique is carried out as follows:

Interview Techniques is the main technique in qualitative research methodology. The goal is to collect very detailed, rich and dense information or materials (data) used in qualitative analysis.

And pure participant observation is observation carried out deliberately so that the object being observed does not change due to the arrival of the researcher. Next, use documentation techniques for research results.

3. RESULTS AND DISCUSSION

Based on Law Number 22 of 2001 concerning Oil and Natural Gas Article 41 paragraph (1) Responsibility for supervisory activities over the work and implementation of Oil and Natural Gas business activities regarding compliance with the provisions of applicable laws and regulations lies with the department whose field of duties and authority includes Oil and Gas business activities and other related departments.

Article 41 paragraph (3) Supervision over the implementation of Downstream Business Activities based on a Business License is carried out by the Regulatory Body.

The research focuses in accordance with Article 42 letter (e) on the allocation and distribution of fuel oil and raw materials.

Article 46 paragraph (2) states that the function of the Regulatory Body is to regulate the availability and distribution of specified Oil and Gas Fuels. The government can guarantee that in all territories of the Unitary State of the Republic of Indonesia and increase the use of natural gas in the country.

Article 46 paragraph (3) letter (a) the duties of the Regulatory Body include regulating and determining the availability and distribution of Oil Fuel and letter (c) utilization of Oil Fuel Transportation and Storage facilities.

Then it is more clearly regulated in the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2005 concerning the regulation and supervision of the supply and distribution of fuel oil. Article 2 paragraph (1) The Business Entity carrying out the supply of Oil Fuel letter (b) is the Business Entity Holding a General Commercial Business License. Furthermore, in Article 6 paragraph (2), the Business Entity Holding a General Commercial Business License is obliged to: (a) Appoint a distributor through selection to distribute fuel oil and include the trademark of the Business Entity Holding a General Commercial Business License; (b) provide guidance and supervision to distributors for whom they are responsible; (c) distribute fuel oil in the regions according to the needs of the commercial area.

The company that is the location of this research is included in the Distribution Agent category and has an Agency Appointment Letter or Distribution Certificate which is bound by cooperation with PT SMS which acts as a Business Entity Holding a General Commercial Business License. What was found in the field was that there were still business actors who did not have a Commercial Business License but did not apply for cooperation with Business Entities Holding General Commercial Business Licenses, so that their operations could not be monitored and could not be accounted for.

Based on the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2005 concerning Regulation and Supervision of the Supply and Distribution of Oil Fuel Article 16 paragraph (1) Business Entities carry out supervision over the distribution of Oil Fuel carried out by Distributors until delivery point at the Final Consumer. '

As stated in the Letter of Appointment of Agency from the Business Entity Holding a General Commercial Business License to the Distribution Agent, in this case the company that is the research location, must report every three months (quarterly) covering the number and area of Oil Fuel distribution services and the customers served are consumers end.

The reality in the field is that companies that are bound to collaborate with Business Entities Holding General Commercial Business Licenses have implemented according to the cooperation agreement, namely the existence of quarterly reports and communication for evaluation by means of direct inspection. Meanwhile, business actors who do not collaborate with business entities holding general commercial business permits do not report, so there is still fuel distribution that is not supervised and is not accounted for.

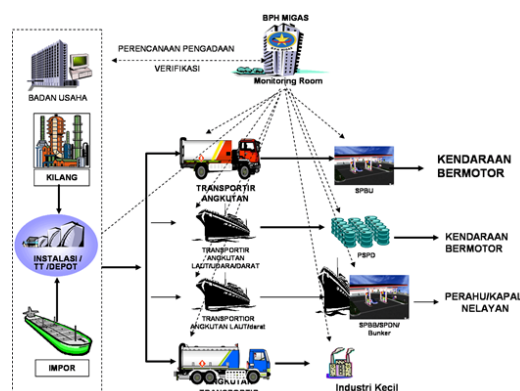


Figure: 1, Distribution Flow

Based on the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2005 concerning Regulation and Supervision of the Supply and Distribution of Oil Fuel Article 7 paragraph (1) Business Entities are required to own and/or control the transportation facilities used to distribute Fuel Oil in accordance with applicable regulations; paragraph (2) Transport facilities as intended in paragraph (1) which are mobile are required to use the identity of the Business Entity concerned.

In reality on the ground, the company that is the research location has a land and sea fleet that meets the requirements starting from ownership of a Transporter Business License, facilities and facilities that comply with the provisions that apply to the fleet and human resources. And there are business actors who do not have complete business permits and the fleet they use does not meet the requirements. Non-compliance with permits results in irresponsibility for the volume and quality of fuel oil distributed by business actors to final consumers in their commercial areas, so that appropriate reports cannot be obtained for actual distribution of fuel oil.

Based on the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2005 concerning Regulation and Supervision of the Supply and Distribution of Oil Fuel Article 14 Business Entities are obliged to submit reports to the Regulatory Body regarding the Supply and Distribution of Oil Fuel in their commercial areas letter (b) monthly report includes revenue and sales volume.

Based on Government Regulation Number 36 of 2004 concerning Downstream Oil and Gas Business Activities Article 48 paragraph (1) Business Entities Holding General Commercial Business Licenses in distributing Oil Fuel, Gas Fuel and LPG to small scale users, small customers, transportation and homes the ladder is obliged to distribute it through a distributor appointed through selection; It is confirmed in Article 48 paragraph (4) that the distributor as intended in paragraph (1) is required to have permits in accordance with applicable laws and regulations.

In reality, in the field there are business actors who do not have permits such as Commercial Business Permits, Transportation Business Permits and Storage Business Permits. And even though it has been regulated according to the regulations outlined in PP BPH Migas Number 07/P/BPH MIGAS/IX/2005, business actors who do not yet have their own Commercial Business License can cooperate with Business Entities Holding General Commercial Business Licenses, but there are still business actors who do not comply by continuing to carry out operations without permits.

Sourced from the Downstream Oil and Gas Regulatory Agency regarding Coordination of Fuel Supervision, the POLRI institution is tasked with law enforcement with the authority to investigate and prepare Inspection Minutes (BAP) in the context of the distribution of certain types of fuel, under the coordination of the National Police Chief and reporting to the National Police Chief.

Based on the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2005 concerning Regulation and Supervision of the Supply and Distribution of Oil Fuel Article 15 paragraph (3) letter (b) In carrying out supervision, the Regulatory Agency has the authority to collaborate in in the event of irregularities or misuse of fuel oil by other parties or related agencies including Civil Servant Investigators (PPNS).

Based on Government Regulation Number 36 of 2004 concerning Downstream Oil and Gas Business Activities Article 94 1) every person or Business Entity that carries out Processing, Transport, Storage and/or Trading without a Business License as intended in Article 12 shall be punished in accordance with statutory regulations. invitations in the Oil and Gas sector; (2) Every person who imitates or falsifies Oil Fuel, Gas Fuel, Processed Products, and/or Other Fuels shall be punished with a maximum imprisonment of 6 (six) years and a maximum fine of IDR 60,000,000,000.00 (sixty billion rupiah); (3) Any person or Business Entity that misuses the Transportation and/or Trading of Oil Fuel subsidized by the Government shall be sentenced to imprisonment for a maximum of 6 (six) years and a maximum fine of Rp. 60,000,000,000.00 (sixty billion rupiah).

As explained by the resource person, the reality found in the field is that there are business actors who do not have permits and/or business actors whose permits are no longer valid and have not been renewed but are still carrying out business operations. Because they are not licensed, they do not report so they cannot be monitored in terms of numbers and commercial areas. The injured party is; the state does not receive taxes, the final consumer cannot ensure the quantity and quality of the fuel oil received.

Based on Government Regulation number 36 of 2001 concerning Downstream Oil and Gas Business Activities Article 12 Downstream Business Activities include: a. Processing business activities which include activities to purify, obtain parts, improve the quality and increase the added value of Oil and Natural Gas which produces Oil Fuel, Gas Fuel, Processed Products, LPG and/or LNG but does not include Field Processing; b. Transportation business activities which include the activity of moving Petroleum, Natural Gas, Oil Fuel, Gas Fuel, and/or Processed Products either by land, water, and/or air including Transportation of Natural Gas by Pipeline from one place to another for the purpose of commercial; c. Storage business activities which include the activities of receiving, collecting, storing and releasing Petroleum, Oil Fuel, Gas Fuel, and/or Processed Products at locations above and/or below the land surface and/or water surface for commercial purposes; d. Commercial business activities which include purchasing, selling, exporting, importing Petroleum, Oil Fuel, Gas Fuel and/or Processed Products, including Natural Gas via pipeline.

Continuing with Article 13 (1) Downstream Business Activities as referred to in Article 12 are carried out by Business Entities after obtaining a Business License from the Minister. (2) The Minister may delegate the authority to grant Business Permits for business activities certain matters as intended in paragraph (1) which are further regulated in a Ministerial Decree.

And the application for a business permit is regulated at the beginning of 14 paragraph (1). The application and granting of a Business License as intended in Article 13 paragraph (1), is determined as follows: a. Processing business activities that produce Oil Fuel, Gas Fuel and/or Processed Products are submitted to and granted by the Minister; b. Business activities for the transportation of petroleum, oil fuel, gas fuel and/or processed products including the transportation of natural gas via pipeline are submitted to and granted by the Minister; c. Business activities for storing Petroleum, Oil Fuel, Gas Fuel and/or Processed Products are submitted to and granted by the Minister; d. Business activities for Trading Petroleum, Natural Gas, Oil Fuel, Gas Fuel and/or Processed Products are submitted to and granted by the Minister.

For distribution supervision, it is regulated in Article 45. Business Entities holding Commercial Business Licenses are required to submit reports to the Minister regarding the implementation of Commercial business activities once a month or at any time if necessary with a copy to the Regulatory Body. A description of the supervision of the distribution of

downstream oil and gas business activities is contained in the Regulation of the Downstream Oil and Gas Regulatory Agency Number 07/P/BPH MIGAS/IX/2025.

In Article 15 paragraph (1) the Regulatory Body supervises Business Entities that provide and distribute Oil Fuel from the start of planning, implementation of activities and realization; paragraph (2) the Regulatory Body in carrying out supervision as intended in paragraph (1) may carry out; a. verification of reports submitted by Business Entities; b. audit of compliance with applicable laws and regulations; c. operational audit of effectiveness, efficiency and economic level; d. special audits on important and urgent matters. Paragraph (3) in carrying out supervision, the Regulatory Body has the authority to: a. appoint and use the professional services of independent auditors or other experts; b. collaborate in the event of deviation or misuse of fuel oil with other parties or related agencies including Civil Servant Investigators (PPNS).

Continued in Article 16 (1) Business Entities carry out supervision over the distribution of Fuel Oil carried out by Distributors up to the point of delivery to the Final Consumer; (2) The Regulatory Body can carry out direct inspections of the smooth distribution of Fuel Oil up to the delivery point to the Final Consumer.

In reality in the field, the company that is the research location is a Business Entity that is appointed as a distribution agent and has an Agency Appointment Letter from PT SMS as a Business Entity Holding a General Commercial Business License. In carrying out its operations, this business actor has complete permits in accordance with applicable regulations, and in its operations it has fulfilled the evaluation requirements of the Business Entity Holding a General Commercial Business License, such as monthly reports covering sales volume and trading location area as well as final consumer data. During direct inspections carried out by Business Entities Holding General Commercial Business Licenses, business actors are also declared to be compliant and compliant with applicable laws and regulations through a company legality audit process.

However, from sources conveyed by Business Entities Holding General Commercial Business Permits, there are business actors in the field of downstream oil and gas activities in Bitung City who are still carrying out operations without being equipped with permits as regulated by law. So that distribution supervision cannot be carried out optimally. Because unlicensed companies will not create and submit sales reports and business area reports. Then the Business Entity Holds the License General Commercial Enterprises as the Regulatory Body appointed by the Ministry cannot carry out report verification, compliance audits, and operational audits.

In the guidelines for the Coordination of BBM Supervision regulated by the Downstream Oil and Gas Regulatory Agency, Business Entities Holding General Commercial Business Permits which are under BPH MIGAS can coordinate with the POLRI in carrying out joint inquiries and investigations regarding the distribution of certain types of BBM. The company that is the research location is a distribution agent and transporter for non-subsidized industrial diesel fuel, so that every form of monitoring and reporting is within the realm of distribution of certain types of fuel.

Supervision by BPH Migas, in this case by BU-PIUNU, is in the form of quarterly evaluation reports and direct inspections. Supervision by the POLRI is in the form of direct inspections checking the legality of companies and cooperation agreements with BU-PIUNU.

4. CONCLUSION

Based on the research results, the following conclusions are drawn:

1. The implementer of supervision over the distribution of fuel oil in Bitung City is a business entity holding a general commercial business license in accordance with applicable government regulations.

2. Supervision of the distribution of non-subsidized industrial diesel fuel in Bitung City has not been implemented well because it was found that there were business actors who had been operating and distributing Non-Subsidized Industrial Diesel Fuel Oil from Bitung City to commercial areas within Bitung City and its surroundings without permits so that the volume and quality of the supply could not be monitored and evaluated.
3. There are business actors who will take care of licensing and reporting later after an inspection has been carried out by investigators appointed by the Downstream Oil and Gas Regulatory Agency.
4. The deterrent effect has not been effective in taking action against business actors who have distributed fuel oil without permits and reporting evaluations to the Downstream Oil and Gas Regulatory Agency.

5. ACKNOWLEDGEMENT

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