The Distribution Mechanism of Subsidized Liquid Petroleum Gas in Sajad District West Kalimantan: An Investigation Based on Islamic Law

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Abstract: This research is based on an initial survey of the distribution of subsidized 3-kg LPG which I think is not right on target because it is full of fraudulent practices. In distributing LPG, it was found that many rich people still buy subsidized 3-kg LPG. In fact, according to government regulations, 3-kg LPG is intended for the poor economic community or small business owners. The problem that is the focus of this research is how the mechanism for distributing 3-kg LPG is in Sajad Regency, and how is the law on selling 3-kg LPG for the rich when viewed according to Islamic law. To answer these questions, data collection techniques were carried out through observation and interviews. The results of this study are 1) the distribution of 3-kg LPG is not in accordance with government regulations, namely the distribution of LPG prioritizes people who can afford it above the official price, while the poor can only get a small part of the official government price/national subsidy price, so there are more stock for sale at more expensive than the official price. 2) If viewed from Islamic law, the distribution of 3-kg LPG is not in accordance with the sharia business method because it is carried out by ignoring government regulations, namely traders are considered to have broken an agreement with the government regarding price determination. In addition, this buying and selling practice also lacks supervision, no sanctions and no law enforcement to maintain subsidy prices so that many sellers dare to violate contracts with the government and violate government regulations.

Keywords: Subsidized LPG, distribution, official price, Islamic bussiness law, Sajad District

Abstrak: Penelitian ini dilatarbelakangi oleh survei awal pendistribusian LPG 3-kg bersubsidi yang saya nilai tidak tepat sasaran karena penuh dengan praktik kecurangan. Dalam penyaluran elpiji ternyata ditemukan banyak orang kaya membeli LPG 3-kg yang bersubsidi. Padahal menurut peraturan pemerintah, LPG 3-kg diperuntukkan bagi masyarakat ekonomi miskin atau pemilik usaha kecil. Permasalahan yang menjadi tujuan penelitian ini adalah bagaimana mekanisme pendistribusian LPG 3-kg di Kabupaten Sajad, dan bagaimana hukum jual-beli LPG 3-kg bagi orang kaya jika ditinjau menurut hukum Islam. Untuk menjawab permasalahan tersebut, teknik pengumpulan data dilakukan melalui observasi dan wawancara. Hasil penelitian ini adalah 1) penyaluran LPG 3-kg tidak sesuai dengan ketentuan pemerintah, yaitu penyaluran LPG ini mengutamakan orang yang mampu membayarnya di atas harga resmi, sedangkan masyarakat miskin hanya bisa mendapatkan sebagian kecil dari harga resmi pemerintah/harga subsi nasional, sehingga ada lebih banyak stok untuk dijual dengan lebih mahal dari harga resmi. 2) Jika dilihat dari hukum Islam, penyaluran LPG 3-kg tidak sesuai dengan metode bisnis syariah karena dilakukan dengan mengabaikan peraturan pemerintah,
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yakni pedagang dianggap mengingkari perjanjian dengan pemerintah tentang penentuan harga. Selain itu, praktek jual-beli ini juga kurang pengawasan, tidak ada sanksi dan tidak ada penegakan hukum untuk menjaga harga subsidi sehingga banyak penjual yang berani melanggar kontrak dengan pemerintah dan menyalah aturan pemerintah.

Kata kunci: LPG bersubsidi, penyaluran, harga resmi, hukum bisnis Islam, Kecamatan Sajad

Introduction

Nowadays, Indonesian society has been using LPG for cooking purposes both among the low income and upper middle class family. LPG, which stands for Liquefied Petroleum Gas, is a hydrocarbons liquefied by pressure to facilitate storage, transportation, and handling consisting of propane, butane, or a mixture of both.\(^1\) Several natural resources controlled and regulated by the state, one of which is Liquefied Petroleum Gas.\(^2\) According to Presidential Regulation of the Republic of Indonesia Number 104 Year 2007, the government recommends the Indonesian people to using LPG gas which previously the community still uses kerosene. The government no longer provides subsidies for kerosene so that the price of kerosene rises up to 100%.

LPG began to be socialized after the government carried out a policy through a conversion program from kerosene to LPG. The conversion was carried out because at that time the world oil prices were higher and crude oil supplies were getting smaller. There are several Limited Companies (PT) assigned by the government to manage LPG gas, one of them is PT Pertamina (Co.) which is a state-owned company. Furthermore, PT Pertamina (Co.) produces new products in the form of 3-kg-cylinder LPG. The newly produced LPG 3-kg LPG products are subsidized by the government so that kerosene consumers switch to 3-kg-cylinder LPG for cooking purposes. The distribution of 3-kg-cylinder LPG was started by distributing free gas stoves and other equipment to households and micro businesses throughout Indonesia.\(^3\)

The 3-kg LPGs that are given the subsidy are intended for poor family because at that time the government appealed to the public to switch to using LPG gas from previously using kerosene for cooking purposes. Because kerosene is no longer receiving subsidies from the government, the government is carrying out kerosene to 3-kg LPG conversion program. This program is carried out in accordance with Presidential Regulation of the Republic of Indonesia Number 104 of 2007 and Regulation of the Minister of Energy and Mineral Resources Number 21 of 2007 concerning Provision, Distribution, and Pricing of 3 Kilograms of Liquefied Petroleum Gas Cylinders, that the 3-kg LPG gas may only be used by underprivileged households with one month income below IDR 1.5 million, and for people who own Small and Micro Enterprises (SMEs).\(^4\)

The establishment of law through regulations has an extremely important and strategic role in providing the basis for an ongoing activity, especially the Indonesian state which has been declared

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3. Article 4 Paragraph 1 of Presidential Regulation Number 104 of 2007.
as the state of law.\(^5\) Natural resources in Indonesia are controlled by the State and are intended for the welfare of the Indonesian people stated in Article 33 paragraph (3) of the 1945 Constitution, which states that: The earth, water and natural resources contained therein are controlled by the state and used as much as possible for the prosperity of the people. Then also reaffirmed in Article 2 paragraph (1) of Law No. 5 of 1960 that states that the earth, water, and space including the natural wealth contained therein is at the highest level controlled by the state, as the organization of power of all people.

Based on regulations about who and which communities are entitled to get 3-kg of free LPG assistance, that is, low income family and for the purpose of small and micro businesses. However, it turns out there are still people who are economically capable or middle-class using the 3-kg LPG. This is clear, that the target of the 3-kg LPG implementation program is still lacking, which is aimed to help the underprivileged people and small and micro business owners. Therefore, in terms of implementation and distribution of the 3-kg LPG are already contrary to the principle of distribution of justice according to Islamic economy (distributive justice of Islamic economic).

The various price games and errors in the implementation of this distribution are in conflict with existing Government Regulations. Misuse and misappropriation of the transportation or trade of government-subsidized oil and gas fuels is regulated in Article 55 of the Indonesian Law No. 22/2001 concerning Petroleum Oil and Gas, which mentions “Every person who misuses the Transportation and / or Trading of Oil Fuel which is 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)”. So the purpose of the Article concerning misuse is an activity which aims to gain an individual or Business Entity benefit.\(^6\)

Human beings are social creatures who have a variety of necessities of life. To meet these needs, they cannot produce by themselves alone. Human beings must always interact with each other to make ends meet. Human relation with other human beings is mutual need for each other, as Allah SWT commands to help each other and work together to achieve something that can be done through commerce, including buying, selling, and renting.\(^7\)

Buying and selling is the activity of exchanging goods or objects that have values, on the basis of mutual will (agreement) between the two parties in accordance with the Sharia. The provisions of the Sharia here are those of buying and selling carried out with the terms and conditions set forth in the Sharia rules. So if the requirements have not been fulfilled, the trading activities are not in accordance with the Sharia.\(^8\) According to M. Quraish Shihab in his Tafsir al-Mishbah, the Qur’anic verses that talk about lawful commerce are basically a guide to finding a good living and sharing or giving alms with others in various aspects. In the recommendation for a living, it is implied that we work and achieve what we spend. Because how can you give if you do not have one. There is a way to obtain property prohibited by this verse, which is contrary to the concept of alms. How to get these assets with usury? Alms are a sincere gift from those who have property to those in need without

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\(^6\) Law Number 22 Year 2001 regarding Oil and Gas.


\(^8\) Qomarul Huda, Fiqh Muamalah (Yogyakarta: Teras, 2011), 52.
expecting anything in return. Usury is taking excess of the capital from the needy by exploiting their needs.9

As in the case of Sajad District, the the sale and purchase of 3-kg LPG gas is apparently not on target in the distribution, which the 3-kg LPG gas should be for the poor and micro businesses, but in reality it is not in accordance with the Government Regulation concerning the supply, distribution and pricing of 3-kg Liquefied Petroleum Gas (LPG). This is because the sellers of the 3-kg LPG are free to sell to anyone without regard to the rules that have been in force. The situation in society, there are many people who use 3-kg LPG that violates the rules, namely civil servants and other large-income entrepreneurs. This causes the community to be uneasy because of this scarcity of 3-kg LPGs, due to improper distribution. The upper middle class should use 5.5-kg and 15-kg LPGs, which do not get subsidized prices from the government. Therefore, the question can be formulated as follows: 1) How is the distribution of 3-kg LPG in Sajad District? 2) How is the Islamic law perspective on the distribution of 3KG LPG in Sajad District?

The approach used in this study is a qualitative approach begun with prior observation of phenomena in a scientific setting to examine this problems.10 This field research was conducted directly to the society to collect data on the practices. The data are collected regarding the distribution of 3-kg LPG gas for consumers in the District of Sajad. Then the data are analyzed by using normative approach in the perspective of Islamic economic law.11 The place of this research is District of Sajad, Sambas Regency, West Kalimantan.

The preliminary data provide general scope and possibility of the research conducted.12 In accordance with the object of research, several studies aim at the main aspects and those that support the research. So the source of research in this paper uses two types of research sources, including: primary data sources and secondary data sources. The primary data sources are data directly collected by researchers from the first source.13 The primary data sources in this study are 3-kg LPG buyers, which include able people. The characteristics of people who are able namely: government civil servants (ASN) who have side jobs, concrete-walled houses, entrepreneurs, and those having private vehicles (cars), men and women aged 40 years and above. Other primary data source is the owners of the LPG bases (suppliers) in Sajad. Secondary data sources, that is data collected directly by researchers to support the primary sources, are documents referred to as government regulations regarding the distribution of 3-kg LPG, previous research findings, and the opinions of jurists and legal experts.14

Regulations to the Liquefied Petroleum Gas (LPG) in Indonesia

In Indonesia, the LPG (Liquefied Petroleum Gas) is a substitute for kerosene. The most important reason is the cost of producing LPG is cheaper than kerosene. In addition to lower production costs, the cost of using LPG for cooking purposes is also more efficient. The government provides subsidies for fuel oil to help economic activities of its people, especially for the poor. One of the subsidized goods

provided by the government is the 3-kg LPG, which is sold with subsidy price by the government. People who buy the 3-kg LPG should meet the criteria of the underprivileged or poor family.

However, sales of LPG gas are often constrained by the scarcity of LPG in the market. The lacking of 3-kg LPG gas often happens and there must be something wrong in its management. Pertamina as the authorized party to distribute 3-kg gas has distributed this 3-kg gas in accordance with the needs of the community resulting from the data collection conducted by each regional government, even the amount of gas distributed continues to be added. If there is scarcity in the community, it means there is an increase in the number of users. The cause of this 3-kg LPG gas is rare on the market because of wrong target. There are still some people who are not entitle to use 3-kg of gas, but also use it. The 3-kg LPG gas is one of the items subsidized by the government, but it is still traded freely in the field regardless of the economic condition of the buyer. Yet according to Presidential Regulation No. 104 of 2007, 3-kg gas is born from government policies on the conversion of kerosene to LPG. The target is clear, namely poor citizens.

Based on the definition of consumers that have been described above, then consumers can be divided into 3 types, namely: the people in the category of capable should not have the right to buy the 3-kg LPG, but in reality there are still residents who are able using the 3-kg LPG gas. The government seems to be unable to do anything with the sale of 3-kg LPG gas freely. To date, there have been no sanctions imposed on those who are able to buy the subsidized LPG gas category.

### Consumer Protection in Indonesia

The word consumer means a person who buys goods and services. According to the English-Indonesian dictionary the meaning of the word consumer is as a user, a customer, a buyer, or a shopper.\(^\text{15}\) According to Article 1 number 2 of the Law Number 8 of 1999 concerning Consumer Protection, “Consumers are every user of goods and/or services available in the community, whether for the benefit of themselves, their families, others, or other living things and not for traded.\(^\text{16}\)

1. Commercial consumer is every person who obtains goods or services used for the purpose of producing other goods / services with the aim of gaining profits or in other words that will be sold to other people.\(^\text{17}\)
2. Intermediate consumer is every person who obtains goods or services that are used to be traded again also for the purpose of seeking profits.
3. The end consumer (ultimate consumer/end user) is every person who obtains and uses goods/services for the purpose of meeting the needs of personal life, family, other people, or in other words, it is only used for themselves or their families’ needs rather than for profit.
4. Consumers in Islamic law are not only limited to individuals, but also include legal entities such as foundations, companies, or certain institutions. This definition is slightly contrary to the definition of consumers according to the consumer protection law, which asserts that consumers are only “persons” and do not include legal entities or companies.

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\(^\text{17}\) Zulham, *Hukum Perlindungan*, 25.
According to Law No. 8 of 1999 concerning Consumer Protection, Article 1 items 1 to 3, stating that:

1. Consumer protection is any effort that guarantees legal certainty to provide protection to consumers.\(^\text{18}\)
2. Consumers are every user of goods and or services available in the community, both for the benefit of themselves, family, other people and other living things and not for trading.
3. Business actor is every individual or business entity, whether in the form of a legal entity or not a legal entity established and domiciled or carrying out activities within the jurisdiction of the Republic of Indonesia, both alone and through joint agreements to carry out business activities in various economic fields.

The following are some regulations that form the legal basis for the implementation of the conversion of kerosene to LPG program, which are arranged in the following order:\(^\text{19}\)

1. Indonesian Vice President’s Letter No. 20 / WP / 9/2006 dated 1 September 2006 concerning the Conversion of Kerosene to LPG, underlying the publication of the letter is the fact that:
   a) The amount of subsidy costs that must be borne by the state, which is mostly intended for oil and electricity subsidies;
   b) Conversion of kerosene to LPG can save subsidy costs up to Rp. 40 trillion every year.
   c) Savings obtained for the needs of other government programs.
2. Law Number 22 of 2001 concerning Oil and Gas.
4. Regulation of the President of the Republic of Indonesia Number 104 of 2007 concerning Provision, Distribution and Pricing of 3 Kilogram LPG.
5. Decree of the Minister of Energy and Mineral Resources Number 3175/K/10/ MEM.M /2007 concerning the Assignment of PT. Pertamina for the distribution of 3-kg LPG.

**Poverty Criteria According to the Indonesian Government**

Based on the Decree of the Minister of Social Affairs of the Republic of Indonesia Number: 146 / HUK / 2013 concerning Determination of Criteria and Data Collection for the Poor and economically disadvantaged people, there are 14 criteria for a person to be categorized as poor:

1. Residential building floor area is less than 8 \(\text{m}^2\) per person

2. Type of residential floor is made of cheap soil / bamboo / wood
3. Type of residential wall made of bamboo / thatch / low quality wood / wall without plastered.
4. Do not have toilet facilities for defecation or are available but shared with other households.
5. Household lighting sources do not use electricity.
6. The source of drinking water comes from wells / unprotected springs / rivers / rainwater.
7. The fuel for daily cooking is firewood / charcoal / kerosene
8. Only consume meat / milk / chicken once a week.
9. Only buy one new set of clothes in a year
10. Only able to eat as much as one / two times a day
11. Unable to pay for medical expenses at the public health center.
12. Sources of income for household heads are: farmers with an area of 500 m², farm laborers, fishermen, construction workers, plantation laborers and / or other occupations with incomes below Rp. 600,000 per month.
13. Highest education of household head: not going to school / not completing elementary school / completing elementary school.
14. Do not have savings / items that are easy to sell with a minimum of Rp. 500,000, such as credit / non-credit motorbikes, gold, livestock, motor boats, or other capital goods.

If someone has a minimum of 9 variables, the he/she meets a poor family. Therefore, it can also be understood that people who do not have poor criteria as mentioned above are classified as able family and they are not entitle for the 3-kg LPG subsidies. However, in fact, the supply of the 3-kg LPG is not on target and the distribution chain is not controlled.

**Definition of Property Rights According to Islam**

The word rights in Indonesian language (hak) comes from Arabic namely *al-haqq*, which etymologically has several different definitions. The definition of *al-haqq* means property, determination and certainty, establishment and explanation, obligation, and truth. Meanwhile, ownership rights can be defined as Ownership is the legal right to the possession of a thing. The object of ownership can be tangible such as personal property and land or it can be intangible such as intellectual property rights over musical, literary or scientific creations of the mind. Ownership also includes rights allowing a person to use and enjoy certain property (physical or intellectual). It includes the right to convey it to others. It can also be the state or fact of being an owner. The rights must be determined and recognized by the Sharia, because the determination and use of rights must not violate the provisions of sharia, even though the owner of the right has full rights over an asset. The definition of ownership right according to experts, such as Musthafa Ahmad Zarqa, it is a special rights on an asset that prevent other people from controlling it and allow the owner to take direct action on the asset, as long as it does not conflict with Sharia.

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Based on the definition described above, it can be concluded that the definition of ownership rights is the right of control over assets where there is a relationship between humans and property or property permitted by sharia, which provides the specificity that allows the owner to take advantage of the property in ways that are justified and determined by Sharia.

1. Distribution of Property Rights

Ownership rights are divided into two parts, namely:

a. Perfect ownership rights (al-milk al-tam). Perfect ownership rights according to Wahbah al-Zuhaili are ownership rights that include the object as well as its benefits so that all rights recognized by the Sharia are in the hands of the person who owns the rights.23

b. Imperfect property rights (al-milk al-naqis). Wahbah al-Zuhaili defines al-milk al-naqis as ownership rights to only the objects, or only the benefits. Meanwhile, in the opinion of Yusuf Musa, imperfect ownership rights are only to have benefits, because the goods belong to someone else, or have the goods without having the benefits. Milk al-naqis is divided into three types, namely: 24

1) Milk al-ain / al-raqabah, it is only the ownership of the object, while the benefits are owned by someone else.

2) Milk al-manfa’ah al-syakhshi / haq al-intifa’, are ownership rights that can be limited by time, place, and nature of the object when determining it.

3) Milk al- manfa’ah al-aini / haq al-irtifaq, is the right to own the benefit that follows to objects, not to people. This right is a right that is permitted, as long as the object still exists, even though the person has changed, the right still exists.

2. Prohibition of Taking Someone Else’s Ownership Rights

Based on the various discussions that have been explained before, Islamic Sharia is very concerned about ownership issues. Various regulations must be carried out so that someone can own property. Not everyone can have certain assets. There are assets that can be owned and enjoyed personally, there are also assets or objects that can be enjoyed together. There are rules between private, public or government property. All of that has been regulated in detail in Islamic Sharia. In addition to the issue of ownership of property that has been discussed, Islamic law also regulates the transfer of prohibited ownership. One of the acts that is strictly forbidden in Islamic Sharia is taking other people’s property in a vanity. The Qur’an says in surah al-Nisa’ verse 29:

“O you who believe, do not eat your neighbor’s property in a false way, except in the way of business that is applied with mutual affection among you. And do not kill yourself; Verily Allah is the Most Merciful to You”.25

The verse emphasizes that it is strictly forbidden to take other people’s rights in a vanity manner. Ibn Abbas in his interpretation states that what is meant by the injustice in the verse is to take the property or rights of others in a way that is unjust, anarchist, be a false witness, and so

24 Ahmad Wardi Muslich, Fiqh Muamalat (Jakarta: Amzah, 2010), 75.
forth.\textsuperscript{26} In addition, the verse also explains the transfer of property or permissible rights in Islamic sharia by means of “\textit{tijārah ‘an tarāḍīn}” (a trade with mutual agreement) like a contract in the sale and purchase. In another place, the Qur’an surah al-Baqarah verse 188 says:

\textit{And let not one of you eat the treasure, another part of you by way of the way and (do not) you bring (the affairs) of the treasure to the judge, so that you can eat part of the property of others with (way of doing) sin, even though you find out.}\textsuperscript{27}

3. **Wisdom of Property Rights**

By knowing the ways to obtain wealth and use assets according to Islamic law, many benefits can be explored for the good of human life, among others are as follows:\textsuperscript{28}

a. Muslims must not get wealth without knowing the applicable rules that are prescribed by sharia.

b. Muslims will earnestly seek the treasure in right, good and lawful ways.

c. Property that is owned by a person is not absolutely owned by himself, but the property is only a deposit from God that must be used and utilized for the benefit of life and distributed in God’s way to obtain His willingness.

d. Every Muslim must protect himself and his family so as not to commit acts that are prohibited by Sharia in owning property.

e. People will live more calmly and peacefully if they seek their property and wealth properly, correctly and lawfully, and it is used according to the Sharia.

**Regulation of the President of the Republic of Indonesia Number 104 of 2007 concerning Supply, Distribution, and Pricing of 3-kg Liquefied Petroleum Gas**

In order to ensure domestic supply and procurement of fuel and reduce fuel oil subsidies in order to ease the burden on state finances, it is necessary to substitute the use of kerosene to LPG. Based on this, the Presidential Regulation on the Supply, Distribution and Pricing of 3-Kilogram-Cylinder of Liquefied Petroleum Gas is stipulated. Therefore, the rules on the supply, distribution and pricing of 3-kg LPG in this regulation are related to the use of petroleum energy sources, especially in the form of fuel oil. Substitution or the transfer of the use of petroleum fuels in the form of kerosene to 3-kg LPG gas cylinder is a method by the government known as kerosene to gas conversion. Government policy is seen in article 2 that reads: “Arrangements for the supply, distribution, and pricing of 3-kg LPG in this Presidential Regulation include planning for annual sales volumes from business entities, benchmark prices and retail prices as well as provisions on export and import of 3-kg- cylinder LPG in order to reduce subsidized fuel oil especially for divert the use of subsidized kerosene according to government policy.”\textsuperscript{29}

\textsuperscript{26} Ibn Abbas, \textit{Tanwir al-Muqabas}, 69.

\textsuperscript{27} Kementerian Agama RI, \textit{Al-Qur'an Terjemah dan Tajwid} (Jawa Barat: Sygma Creative Media Corp, 2015), 42.

\textsuperscript{28} Abdul Rahman, \textit{Fikih Muamalat} (Jakarta: Prenada Media Group, 2010), 26.

\textsuperscript{29} Article 2 of the Presidential Regulation of the Republic of Indonesia Number 104 of 2007 concerning the Supply, Distribution and Pricing of 3-kg Cylinder Liquefied Petroleum Gas.
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The target of this conversion policy is households and micro businesses. Implementation of this policy begins with the free distribution of 3-kg-cylinder LPG, stoves, and is only done once. The Minister sets the benchmark prices and retail prices of 3-kg-cylinder LPG for households and micro-enterprises after obtaining consideration from the minister of finance based on the agreement of the relevant agencies coordinated by the Coordinating Minister for Economic Affairs.

Sambas Regent Regulation Number 510 Year 2019 concerning Prohibition of Subsidized 3-kg of LPG Gas

Based on the Republic of Indonesia’s Presidential Regulation No. 104/2007 concerning the Supply, Distribution and Pricing of Subsidized 3-kg LPG Gas and that subsidized 3-kg LPG Gas is sufficient, right on target and according to its designation, we hereby submit the following matters:

1. That the subsidized LPG 3-kg LPG gas is only intended for eligible people, namely people belonging to non-prosperous society, i.e. poor community and micro business actors (whose turnover is up to Rp. 300,000,000.- / year)
2. All State Civil Apparatuses (ASN) and the TNI / POLRI, businesses that are not micro-businesses and not the community included in the Non-Prosperous community group in Sambas Regency are not entitled to use subsidized 3-kg LPG gas.
3. It is expected that the District and the Village Heads and their staffs in Sambas Regency will disseminate this information to the community and business people in their respective regions.

The Sambas Regency Government supports the Central Government’s policy of supervising and distributing 3 kg of Liquefied Petroleum Gas (LPG). The Sambas Regency Government Policy describes the optimization of the role and synergy of the supervision of the respective agencies. LPG is an important commodity and has become one of the main priorities for meeting domestic needs. In order to maintain the availability of these commodities, it is the authority of the government and local governments to control the availability of basic necessities and essential goods throughout the region in sufficient quantities, good quality and affordable prices. Therefore, monitoring of price disparities between regions is also very important.

Data Disclosure

In accordance with the theme of this research regarding the distribution of 3 kg LPG gas in the Sajad district in the perspective of Islamic economic law, the focus of the study consists of two problems, namely: how is the distribution of 3 kg LPG in Sajad Regency, and what is the perspective of Islamic economic law regarding the distribution of 3 kg LPG gas in Regency of the Sajad. These questions

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30 Article 3 Paragraph 1 of the Presidential Regulation Number 104 of 2007.
31 Article 4 Paragraph 1 of the Presidential Regulation Number 104 of 2007.
32 Article 4 Paragraph 2 of the Presidential Regulation Number 104 of 2007.
33 Article 1 Paragraph 1 of the Presidential Regulation Number 104 of 2007.
34 Article 7 Paragraph 2 of the Presidential Regulation Number 104 of 2007.
35 Article 7 Paragraph 3 of the Presidential Regulation Number 104 of 2007.
36 Sambas Regent Regulation Number 510 of 2019 concerning the Prohibition of Use of Subsidized 3-kg LPG Gas.
are answered by describing the data obtained from interviews, observation and documentation. The data to answer these research questions are described below.

The data relating to the sale of LPG gas were obtained from the first informant, namely Mr. Darman, 37 years old. He is the owner of 3-kg LPG Gas Base. He explained that the 3-kg-cylinder LPG quota was received from the agency four times a month. The distribution from the agent is received once a week, each week gets a share of 280 cylinders. The price of the agent is Rp. 15,000/ cylinder and then he sells it at the price of Rp. 18,500, he said in accordance with the highest retail price (HET) of Rp. 18,500, but in reality, the base sells at Rp. 20,000/cylinder. Then for retailers, especially micro businesses, there are two places that sell again at a price of Rp. 22,000/ cylinder for end-users (households and micro businesses). This base provides a limit on the sale of 3-kg LPG to households, a maximum of 2 cylinders, while for micro businesses, a maximum of 4 cylinders per week. Every first transaction, a photocopy of identity card must be attached. According to the base, this requirement is made by the Minister of Commerce for data collection that ASN may not buy 3-kg of LPG Gas, if it does not attach identity card, someone cannot buy 3-kg of LPG gas.

Data relating to the selling price of LPG gas were obtained from the second informant, namely Mr. Nazirin, 45 years. He is a 3-kg LPG gas buyer. He explained that buying LPG gas at Mr. Darman’s Base is usually at the nearest place for the price of Rp. 20,000. If you buy it at the Mr. Darman’s Base even though it has been printed on the base of the highest retail price (HET) of Rp. 18,500, but the base still sells it at a retail price above Rp. 20,000, and must attach a photocopy of identity card. There is no prohibition from the base for ASN consumers and people who can afford it even though they have attached a photocopy of identity card. Even though it has been determined by the local government about the prohibition of using 3-kg LPG gas, according to him as consumers cannot switch to non-subsidies because there are still many ASNs and other capable people still use 3-kg LPG gas.

Other data relating to the selling price of LPG gas were obtained from the third informant, namely Mr. Rusadi, 47 years old. He is a buyer of 3-kg LPG gas. He explained that buying ordinary LPG gas at an ordinary base or will get you to pay at the price of Rp. 20,000, but if you buy it at a stall (retailer), the price is Rp. 22,000 to Rp. 25,000. He said that here the selling base is not in accordance with the highest retail price (HET) set by the regional government. The base gives the conditions for someone the first time buying 3-kg of LPG gas that he must attach a photocopy of identity card. If you do not attach identity card, you cannot buy 3-kg of LPG gas. The base provides limitation to consumers to only 3-4 LPG gas cylinders in one week. He said that if he is asked to change to non-subsidized LPG gas, he said that the offer should have to be evenly distributed throughout the ASN and capable people, who are also asked to switch to non-subsidized LPG gas, because there are still many people who use 3-kg of LPG gas, even they are ASNs (government’s civil servant).

Other data relating to the selling price of LPG gas were obtained from the fourth informant, namely Mr. Gusti, 47 years old. He is a buyer of 3-kg LPG gas. He explained that the purchase of LPG gas at the Mr. Darman’s base is usually also carried out by people with various economic backgrounds. If you buy it directly at the base, the price is Rp. 20,000, but if you buy it at the stall, the price is not

37 Interview with Mr. Darman, owner of the base, 23 February 2020, at the LPG gas base.
38 Interview with Mr. Nazirin, 24 February 2020, at the buyer’s home.
39 Interview with Mr. Rusadi, 23 February 2020, at the buyer’s home.
40 Interview with Mr. Gusti, 25 February 2020, in his stall.
in accordance with local regulations that already have a base board and still attach a photocopy of identity card for the first time when buying a new gas cylinder. Stall (retailers) is prohibited to sell 3-kg LPG gas but in fact there are still stalls (retailers) who sell 3-kg LPG gas without permission. There are violations to the rules set by the local government, and you can only buy a 3-kg of LPG gas only 3-4 cylinders in one week, for households and micro businesses.

Other additional data relating to the selling price of LPG gas were obtained from the fifth informant, namely Mr. Herlendi, 40 years old, a buyer of 3-kg LPG gas. He explained that he usually buys a 3-kg of LPG gas at Mr. Darman’s base directly with the price of Rp. 20,000, and with the condition of a photocopy of identity card to attach when purchasing a 3-kg of LPG gas for the first time. He sees that the highest retail price base is not in accordance with the retail price, which is Rp. 18,500. He did not mind the price, but for people from the middle to lower classes, they would certainly object it because the price is not in accordance with the selling price.

More additional data relating to the selling price of LPG gas were obtained from the sixth informant, namely Mr. Abdul, 30 years old. He is a buyer of 3-kg LPG gas. He explained that he usually buys a 3-kg of LPG gas at Mr. Darman’s base directly with the price of Rp. 20,000, and with the condition of a photocopy of identity card to attach when purchasing a 3-kg of LPG gas for the first time. And he also used to buy to the nearest stall (retailer) owned by the base as well but at a different price, i.e. with the price of Rp. 22,000. He also saw that the practice of buying and selling of 3-kg of LPG gas is not in accordance with the retail prices set by the local government for the District of Sajad, namely the highest retail price is Rp. 18,500.

The seventh informant also provides input on data related to the selling price of LPG gas, namely data obtained from Mr. Jepri , 35 years old, a buyer of 3-kg LPG gas. He explained that buying 3-kg of LPG gas usually at the nearest stall owned by the base at the price of Rp. 22,000, even though the highest retail price is Rp. 18,500. He bought 3-kg of LPG gas by attaching a photocopy of identity card for the first time. If you do not attach a photocopy of identity card, you cannot buy 3-kg of LPG Gas. This requirement is set by the stall owned by the base. According to him when asked to switch to non-subsidies he did not want to because the ban from the base there was no prohibition only attaching a photocopy of KK and KTP could buy 3-kg LPG gas.

The data above shows a disparity in the price of subsidized LPG gas with the price that consumers buy. In fact, the requirements for purchasing 3 kg of LPG gas must still include a photocopy of the identity card, as stipulated by the government. From the perspective of Islamic economic law, buying and selling of goods established by the government as a form of assistance to poor people must comply with the regulations established by the government. The increase in price cannot be justified. Therefore, the discussion on the above data needs to be carried out from the perspective of sharia economic law, as follows.

The 3-kg LPG Gas Distribution in Sajad District

Based on the data exposure of the distribution of 3-kg LPG gas in Sajad District, there are special rules for the agents involved in it that are in accordance with the distribution channels to distribute

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41 Interview with Mr. Herlendi, 25 February 2020, at the buyer’s home.  
42 Interview with Mr. Abdul, 26 February 2020, at the buyer’s home.  
43 Interview with Mr. Jepri, 26 February 2020, at the buyer’s home.
3-kg-cylinder LPG. The base level to obtain a 3-kg-cylinder LPG supply must have a base designation letter from the agent. Each base must install a base board in accordance with the standard in a place that is clearly visible to the public. Described on the base board price of 3-kg cylinder LPG with a recommended retail price of Rp 18,500/cylinder as determined by the local government.

The base can only supply as many as 280 cylinders of 3-kg LPG gas per week. Households and micro businesses are allowed to buy only 3 to 4 cylinders of 3-kg LPG per week. The users (household and micro business) can only buy a 3-kg LPG cylinder by coming directly to the base level of shop. The process of buying and selling are conducted in one place, where the buyer comes with an empty 3-kg-cylinder of LPG and then asks the seller whether there is still a 3-kg LPG stock to buy. If there is a stock, the buyer replaces the empty 3-kg-cylinder of LPG with a sealed 3-kg-cylinder of LPG and then the buyer attaches a photocopy of ID card, because it is already a requirement of the base and to pay according to the recommended price set by the government at the base level.

People who buy 3-kg of LPG gas at Mr. Darman’s base must attach a photocopy of ID card, because it is already a regulation from the government. The base also sets the regulation to the buyers. The 3-kg LPG gas is only intended for poor people and micro businesses. This regulation is made in order for the distribution is on the right target. The 3-kg LPG price is set by the base with the selling price of Rp. 20,000-, even though it has been written on the base with the highest retail price of Rp. 18,500-, for the Sajad District because of the different regional retail prices set by the local government.

The reality in the field is not in accordance with the statement of the bases that there are still many of people including civil servants and upper middle classes who use 3-kg LPG gas, due to the free sale of 3-kg LPG gas that violates the distribution rules set by the regional government. The agents (bases) are still selling 3-kg LPG gas to the middle class and above and to the civil servants. This has violated the regulation of Sambas Regent No. 510 of 2019 and Presidential Regulation No. 104 of 2007.

The reason for the practice of buying and selling 3-kg LPG gas that is not on target are lies on the lack of supervising to the bases/shops. The bases actually prioritize poor people and micro businesses, but if there are more stocks of gas, the bases sell the 3-kg LPG gas to the upper and middle class and civil servants. Moreover, the free practice of buying and selling of 3-kg LPG at the retail level can cause uneven distribution of 3-kg LPG. In addition, the reason of the bases if they sell the 3-kg LPG only to the poor and micro businesses, they cannot quickly get returns of their investment; so that by selling it to the upper and middle class and civil servants, they can immediately get return of the capital because every week there must run the circulation of the gas cylinders.

2. Islamic Law Perspective on the Distribution of 3-kg LPG Gas to Consumers in Sajad District

Islam as a religion regulates the lives of its adherents not only in ritual aspects but also in all aspects of life, one of which is economic activity or Muamalah. As far as the distributions of 3-kg LPG gas for consumers in Sajad District are concerned, the implementation of the government rules on the distribution of 3-kg LPG at the base level in the village of Sajad District is lack of supervising from the governmental authority. However, from the perspective of Islamic law, if the seller and the buyer have fulfilled the requirements as the persons who made the contract (‘aqd), then the sale is considered valid. However, the government sets the terms for buyers of 3-kg LPG to be poor or small businesses. Such requirements, according to Islamic law, can be justified by the argument of justice
and the benefit of society. Because 3-kg LPG gas is subsidized by the government, the government has the right to set requirements for its buyers. If the agent sells 3-kg LPG gas to people who do not meet the requirements, then the sale can be canceled or sued by the government. According to Islamic law, the Government is Ulil Amr (the ruler) who has the authority in determining policies; moreover, the distribution of 3-kg LPG gas is a government policy to help the poor by providing price subsidies. Therefore, the distribution of sales of 3-kg LPG gas must be right on target, namely to the poor and small businesses. Apart from them, other groups of society do not have the right to buy it.

**Terms related to Commodities (Ma’qud Alayh)**

1. **Terms of merchandise (musman)**
   - (a) The item is there, or is not in the place but the seller states his ability to hold the item,
   - (b) It can be utilized and useful for humans,
   - (c) The seller’s property,
   - (d) It may be submitted during the meeting or at the time agreed upon together.

   The first requirement is that the merchandise exists, or it is not in place but the seller has stated his ability to procure the goods, in this case the merchandise traded is 3-kg-cylinder LPG. The LPG is a useful item because it is used to meet cooking needs, and 3-kg canister LPG is owned by the base that is obtained (purchased) from the agent, and there is no need for buyer to concern about it because the agent and the base are parties related to the distribution of 3-kg-cylinder LPG. After the buyer replaces the empty 3-kg-cylinder LPG with a sealed 3-kg-cylinder LPG, the buyer will hand over the money to the distributor, so that in the time the contract takes place, the buyer receives the goods.

2. **Terms of payment (saman)**
   - (a) The price agreed by both parties must be clear,
   - (b) It may be submitted at the time of the contract,
   - (c) If the sale and purchase is carried out by exchanging goods, the goods which are used as exchange value are not goods that are forbidden by Sharia, such as pork and alcoholic beverages.

   Terms of payment instruments in buying and selling today are money; in Indonesia the money used is rupiah. In this case the price of the 3-kg LPG gas is at the base level in Sajad District, in accordance with the highest retail price adjusted to the sale price of 3-kg-cylinder LPG at the base level.

   Based on the data in the field the agreed price in the sale and purchase of 3-kg-cylinder LPG is a one-sided price that does not match the highest retail price determined by the base level. However, as far as the condition for the item is concerned, LPG gas is an item that is not forbidden by Sharia for sale.

**Conditions related to Mutual Consent (Sighah al-‘Aqd)**

1) The persons who say the consent of contract are adult and intelligent,
2) Acceptance is in accordance with the consent,
3) The consent and the acceptance are carried out in one place or time.
The practice of 3-kg LPG gas distribution at base level in Sajad District has fulfilled the conditions, in which the base indicates the seller or the distributor, and the users (household and micro business) are as the buyers of 3kg LPG. The purchase agreement or sighah al-'aqd manifests in the act of sellers’ asking the buyer about the availability of the 3-kg LPG stocks, then the buyer replaces the empty 3-kg LPG with the sealed one. The exchange value of goods or means of payment is submitted from the seller to the buyer.

If the sale and purchase agreement is carried out on the terms and conditions that have been fulfilled, there will be a transfer of the seller’s ownership of the goods sold to the buyer. Therefore, the sale is said to be valid. Buying and selling is part of ta’awun (helping each other). For buyers to help sellers who need money (profits), while for sellers also means to help buyers who are in need of goods. Because buying and selling is a noble activity and the people who practice it will get blessing from Allah. Even Muhammad the Messenger of Allah asserted that honest and true sellers will be with the prophets in the hereafter, along with martyrs and the righteous people.

The Quran forbids the acquisition of wealth that brings profit on the one hand but causes losses on the other. Someone’s income compromises the benefit of the public (general benefits). What is blessed in Islam is fair trading, namely the trade that is mutually beneficial both to sellers and to buyers. Islam strongly encourages its people to make a living in a lawful and good way, as it is stated in the Quran Surah an-Nisa’ verse 29:

يَا يَدَآ أَيَّانَ أَنَّ يَاذَا بِأَيْماَلَكَمْ بِبَلْطُ الَّذِيْنِ كَأَنْ تَأْكُلُوا أَمْوَالَكُمْ بَيْنَ حَيْثُ وَلَبِئْسَ مَنْ يَكُونْ مَثَالًا إِلَّا أنَّ كَأَنْ تَأْكُلُوا أَنفَسَكُمْ إِنَّ اللَّهَ كَأَنْ رَحْيَةً (النساء : 29)

The above verse explains about prohibition to obtain property in an evil way. The interpretation of the above verse according to the Quraish Shihab is that the believers do not eat, that is, obtain property that is the means of your life, by vanity, because it is not in accordance with Islamic law; but Muslim people should obtain the wealth by way of commerce based on your willingness that does not violate the provisions of Islamic law.44

Justice is a basic principle that must be carried out in life, including economic life. This principle directs humans to always carry out economic activities that do not harm others. Islam also recognizes freedom of being bound, meaning freedom in conducting economic transactions while still adhering to the values of justice, religious law and ethics.45 Moreover, every Muslim must firstly obey Allah in His commands contained in the Quran; secondly obey His Messenger, namely the Prophet Muhammad, with his commands and traditions; and thirdly to obey the command of Ulil Amr, i.e. the government as long as the command does not conflict with the commands of Allah and the Prophet. Ulil Amr is government that consists of people who are trusted to handle social problems and, therefore, it has the authorities to command society with law enforcement.46

Obedience according to the language of the Quran intends to submit and accept sincerely. This means that obedience is meant not only to carry out what has been ordered, but to participate and support that is carried out by the government in order to carry out community service efforts.47

45 Yusuf Qardhawi, Daurul Qiyam Wa Akhlaq Fi Iqtishadil Islami (Kairo, Meso : Maktabah Wahbah, 1995), 173.
46 M. Quraish Shihab, Tafsir Al-Misbah, 482.
47 M. Quraish Shihab, 184
Therefore, concerning the 3-kg LPG distribution based on government regulations. The community must support the government policy in distributing subsidized energy to poor households that can be channeled properly and on target. This government policy is an order that must be carried out by the community, because the policy is intended for the benefit of the community at large. This is in accordance with the following fiqh principles:

"Government policy towards its people is compatible with goodness".\(^{48}\)

This rule provides a definition that every deed or a policy of the government is associated with the rights of the people and it is intended to bring goodness. Government is the bearer of the people’s mandate and for this reason it is assigned as a leader and it must always pay attention to the benefit of the people.\(^{49}\)

It can be stressed that government must be oriented to the benefit of the people, not just following the passions or desires of a certain group of society. With the Presidential Regulation of the Republic of Indonesia Number 104 of 2007 concerning Provision, Distribution and Pricing of 3-kg Liquefied Petroleum Gas, and Regulation of Sambas Regent Number 510 Year 2019 regarding Prohibition of Use of Subsidized 3-kg LPG Gas, the distribution should be right on its target. People must pay attention to their own abilities in the economic field so that they will not take the rights of others. The government (Ulil Amr) policy on 3-kg LPG subsidies is a good way to help the poor, both at the household and small business level. Thus, the sale of the subsidized 3-kg LPG to unauthorized persons, namely the rich, violates government regulations which can lead to legal consequences, such as civil or criminal lawsuits. The subsidized 3-kg LPG is the right of the government, so the government has the authority to regulate its sale to anyone who meets the stipulated requirements.

**Conclusion**

Referring the research problems formulated that intended to investigate the the LPG distribution in the area of Sajad District as well as the Islamic perspective on the the mechanism of that distribution that has been indicated against the government and Islamic law, the result of this study proves that the distribution of 3-kg LPG gas in the Sajad District has violated the Republic of Indonesia Presidential Regulation No. 104 of 2007 concerning the Supply, Distribution and Pricing of 3-Kg Liquefied Petroleum Gas Sylinders, and Sambas Regent Regulation No. 510 of 2019 concerning the prohibition of use of subsidized 3-kg LPG gas. Result of the research indicates that the bases still sell 3-kg LPG gas to the rich, i.e. upper middle class people and civil servants. This causes the distribution of 3-kg LPG gas is not on target for the lower middle class (poor people) and micro businesses as intended in the government regulations. Moreover, the bases set a selling price of 3-kg-cylinder LPG of Rp 20,000/cylinder, which is not in line with the highest retail price determined by the government. Based on the perspective of Islamic law, the sale and purchase of 3-kg LPG by observing the terms and conditions can be said to be legal trading, but the practice of buying and selling is also against government regulations, so it is considered inappropriate (fasid) which can lead

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\(^{49}\) Imam Musbikin, *Qawa'id Al-Fiqhiyah* (Jakarta: PT Raja Grafindo Persada, 2001), 124.
to action against the law. The practice of distributing 3-kg LPG that was not right on target by the base could be said to have violated the government’s mandate and could be considered to be robbing the rights of the poor. As Muslims, people must obey the government (Ulil Amr) because its policies concern and pay attention to the rights of society to benefit and are intended to bring goodness. The government with this policy gives the poor the right to access cheap and affordable household energy so that they can fulfill their daily needs properly.

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