

DISTRIBUTION AND USE OF SUBSIDIZED FERTILIZER IN RICE FARMING IN A HALAL AND LEGAL MANNER

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BACKGROUND: The problems that frequently arise in rice stem from two main issues: production costs and farmer welfare. Farmers continued high dependence on chemical fertilizers increases production costs and impacts their income. To meet the growing need for agricultural inputs, the government facilitates the procurement and distribution of subsidized fertilizers. The subsidy policy is expected to increase production, reduce production costs, and improve farmers' incomes. The aim of this research is to describe the distribution of subsidized fertilizer in rice paddy farming, to describe the use of subsidized fertilizer in a halal and legal manner based on the four rights principle (price, place, time, and quantity), and to determine the impact of subsidized fertilizer use on farmer production and income.

METHOD: The research was conducted in the rice production center of Bone Regency, South Sulawesi. Survey methods and in-depth interviews were used with 69 members of farmer groups actively receiving fertilizer subsidies. Quantitative descriptive analysis and two-sample independent difference analysis were conducted

RESULTS & DISCUSSION: The distribution mechanism for subsidized fertilizers, namely the responsibility for distribution and procurement of fertilizers is handed over to all Pupuk Indonesia producers with subsidiaries PT. Pupuk Sriwijaya and PT. Petrokimia Gresik, responsible for the distribution of fertilizer subsidies from Line I to Line III. Then Line IV becomes the responsibility of the distributing KUD. The use of subsidized fertilizers, namely Urea and NPK fertilizers, is based on the principle of four rights, the purchase price is higher than the highest retail price. Purchases are made within the village, subsidized fertilizers are difficult to obtain when needed, and the amount used does not match the recommended dosage. The results of checking the composition of fertilizers on the label, do not use unclean or haram materials, do not pollute the environment. Farmers' knowledge about halal fertilizers is very low. The use of subsidized fertilizers has a positive impact on farmer production and income.

CONCLUSION: The distribution and use of subsidized fertilizer is based on the principle of the four rights: right price, right place, wrong time, and wrong amount. The practice of subsidized fertilizer use is in accordance with halal principles. The use of subsidized fertilizer has a positive impact on farmer production and income.

KEYWORDS: *fertilizer subsidy; halal; production; income*