

STUDY OF TRADE AND DISTRIBUTION OF BASIC NEEDS IN BANDUNG CITY

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ABSTRACT

The Bandung City Government (TBCG) strives to maintain price stability and ensure the availability of essential commodities. However, the characteristics of trade and distribution in Bandung remain insufficiently identified, limiting effective policymaking. This study explores these characteristics to support policy formulation for price stability and supply availability. Using a qualitative approach, the research involved surveys of 11 large-scale and 125 small-scale retailers, documentation studies, interviews, observations, and focus group discussions (FGDs). Data analysis included transcription, coding, and characteristic description. The findings highlight that four key products: rice, sugar, flour, and cooking oil, require particular attention for supply stability and price control. Stable prices are achieved through cooperation between producers, traders, consumers, and TBCG, which actively monitors the availability of affordable goods. TBCG also shows a strong commitment to protecting the public and traders from price fluctuations, especially during harvest and off-season periods. This study contributes valuable insights into Bandung's commodity trade dynamics, offering guidance for policymakers to strengthen regulations that ensure the sustainability of supply chains and price stability. Recommendations include enhancing monitoring systems, improving collaboration among stakeholders, and introducing adaptive regulations to address seasonal fluctuations and safeguard long-term food security.

Keywords: Price stability; basic needs distribution; Bandung City; government policy; trade collaboration

STUDI PERDAGANGAN DAN DISTRIBUSI KEBUTUHAN POKOK DI KOTA BANDUNG

ABSTRAK

Pemerintah Kota Bandung (TBCG) berupaya menjaga stabilitas harga dan memastikan ketersediaan komoditas esensial. Namun, karakteristik perdagangan dan distribusi di Bandung masih belum cukup teridentifikasi sehingga membatasi pembuatan kebijakan yang efektif. Penelitian ini bertujuan untuk mengeksplorasi karakteristik tersebut untuk mendukung perumusan kebijakan stabilitas harga dan ketersediaan pasokan. Dengan menggunakan pendekatan kualitatif, penelitian ini melibatkan survei terhadap 11 pengecer skala besar dan 125 pengecer skala kecil, bersama dengan studi dokumentasi, wawancara, observasi, dan diskusi kelompok terfokus (FGD). Analisis data meliputi transkripsi, pengkodean, dan deskripsi karakteristik. Temuan ini menyoroti bahwa empat produk utama: beras, gula, tepung, dan minyak goreng, membutuhkan perhatian khusus untuk stabilitas pasokan dan pengendalian harga. Harga yang stabil dicapai melalui kerja sama antara produsen, pedagang, konsumen, dan TBCG, yang secara aktif memantau ketersediaan barang yang terjangkau. TBCG juga menunjukkan komitmen yang kuat untuk melindungi masyarakat dan pedagang dari fluktuasi harga, terutama selama masa panen dan musim sepi. Studi ini memberikan wawasan berharga tentang dinamika perdagangan komoditas Bandung, menawarkan panduan bagi pembuat kebijakan untuk memperkuat peraturan yang memastikan keberlanjutan rantai pasokan dan stabilitas harga. Rekomendasi termasuk meningkatkan sistem pemantauan, meningkatkan kolaborasi antar pemangku kepentingan, dan memperkenalkan peraturan adaptif untuk mengatasi fluktuasi musiman dan menjaga ketahanan pangan jangka panjang.

Kata kunci: stabilitas harga; distribusi kebutuhan pokok; Kota Bandung; kebijakan pemerintah; kolaborasi perdagangan

INTRODUCTION

The city of Bandung is one of the cities with the highest economic growth in West Java (Hudalah et al., 2022; Paramita et al., 2021; Salim & Faoziyah, 2022). The economic growth rate in 2018 and 2019 was in the range of 7 percent. In 2017, the economic growth rate of the city of Bandung reached 7.21%, much higher than the economic growth of West Java of 5.29% and even

the national of 5.07% in the same period (Kartawinata et al., 2021). However, the high rate of economic growth is followed by a high inflation rate. In 2020, the city of Bandung experienced inflation of 2.79. The food commodity group is the largest contributor to the inflation rate, which is 1.1%

With high economic growth and becoming a tourist destination city, it certainly has the potential to drive the inflation rate in terms of

demand in the city of Bandung (Arfananda et al., 2020; Riana & Fajri, 2024; Suhartanto, 2018; Winarso et al., 2022). In addition, commodity price volatility that causes food inflation which tends to fluctuate also drives the inflation rate (Mishra & Agarwal, 2021; Richards et al., 2012; Rizvi & Sahminan, 2021). The relatively high inflation rate will have an impact on decreasing people's purchasing power, potentially increasing the number of poor people (Shahabi et al., 2020; Shehzad, 2023). The city of Bandung as one of the cities in Indonesia with a large population also has a fairly high number of poor people, residents who are below the Poverty Line (Huraerah et al., 2024; Ikemi et al., 2018; Iryawan et al., 2022). The number of poor people in the city of Bandung in 2017 was 103,980 people or 4.17% of the population of the city of Bandung. Thus, the high inflation rate has the potential to increase the poverty rate because it further reduces people's purchasing power. If inflation rises significantly, it can shift people who are categorized as not poor, become vulnerable to poverty, almost poor, and even poor (Ogachi et al., 2021). Inflation control is closely related to people's purchasing power and poverty (Ahmed et al., 2024; Jha, 2008). Meanwhile, the contribution of inflation in necessities, especially food, is quite high because it is a primary need with a relatively larger proportion of household expenditure than other components (Franc-Dąbrowska & Drejerska, 2022; Radukić et al., 2015; Shapiro, 2024).

Availability, affordability, and stability of food prices are complex multidimensional issues of food security. Food security is the availability of sufficient, healthy, diverse, and nutritious food for each person or family (Elsi et al., 2020; Kusdiarti et al., 2023; Utama et al., 2024). The problem of food security is a concern for all countries in the world, therefore, the Food and Agriculture Organization (FAO) always provides the latest information on food conditions in various countries (Aslam et al., 2021; Aubry, 2019; Pool & Dooris, 2022; Zerbian & de Luis Romero, 2023). FAO supports the capacity building of governments and communities in facing the challenges of food security and nutrition. This is by Law Number 7 (1996) which states that a region must be able to provide safe, equitable, and affordable food for all its citizens to achieve food security in the region (Barinda & Ayuningtyas, 2022; Ridwana et al., 2022; Damanik et al., 2024).

The Bandung City Government continues to strive to maintain price stability and stock of basic materials (Amin et al., 2022; ISKANDAR et al., 2019; Ridwan et al., 2017). The Trade Office monitors the prices and availability of necessities regularly. To strengthen programs and activities to

control the stability of basic commodities, it is necessary to conduct a technical study on the market structure and distribution of staple commodities in the city of Bandung so that inflation control policies and strategies have a better direction.

This study examines Bandung's trade and distribution of necessities, focusing on price stability, adequate and affordable supply, and managing harvest-related price fluctuations. It highlights the shared interest of producers, traders, consumers, and the government in addressing these issues to ensure economic stability and protect all stakeholders.

Bandung, as one of Indonesia's fastest-growing urban areas, faces distinct challenges in maintaining food security. The city's rapid economic development has led to increased demand for goods, particularly staple commodities, which in turn drives inflation and creates disparities in food access (Kartawinata et al., 2021; Salim & Faoziyah, 2022). Food security, viewed through the lens of resilience and sustainability, requires consistent availability and affordability of food while addressing socio-economic vulnerabilities. This perspective highlights the need for integrated approaches that link economic stability with social welfare to support urban populations.

The economic implications of rising inflation, especially in necessities, are profound. High inflation reduces purchasing power, worsens poverty, and threatens the overall stability of local economies. Studies show that effective government interventions, such as price monitoring and stabilization policies, can mitigate these risks (Ridwan et al., 2017; Iskandar et al., 2019). However, Bandung's unique economic dynamics and reliance on external supply chains have rendered traditional policy measures insufficient in addressing the underlying causes of price instability (Arfananda et al., 2020; Richards et al., 2012). This underscores the need for localized strategies that consider both macroeconomic influences and structural market characteristics.

Addressing these challenges requires practical strategies focused on optimizing distribution systems and regulating staple commodity prices. Policies such as maximum price controls, enhanced supply chain monitoring, and mechanisms to manage seasonal price fluctuations are essential. These measures not only protect consumers from the adverse effects of price volatility but also ensure that producers and traders operate in a stable market environment, fostering economic predictability and equity.

Bandung's efforts in managing food security are evident in initiatives like regular market

oversight by the Trade Office, yet gaps remain in fully stabilizing prices and ensuring equitable distribution (Ridwan et al., 2017; Iskandar et al., 2019). This study builds on previous research by examining how local market structures, seasonal trends, and distribution mechanisms contribute to ongoing challenges. Unlike prior works that focus predominantly on macroeconomic factors, this research delves into the specific dynamics of Bandung's trade networks, offering a tailored analysis that reflects the city's unique socio-economic context.

This research offers practical policy recommendations for Bandung by analyzing local economic demand and distribution patterns. It proposes strategies like stabilizing measures during harvest and off-harvest periods, enhancing distribution channels to minimize bottlenecks, and adopting adaptive price controls to mitigate market fluctuations. These findings aim to create a sustainable framework that strengthens Bandung's resilience against inflation while promoting social and economic stability.

Despite its robust economic growth, Bandung faces challenges in controlling inflation driven by fluctuating staple prices. High inflation erodes purchasing power and increases poverty, exacerbated by the city's intense economic activity and high demand for essentials due to tourism. Price stability and staple availability are therefore key government priorities. This study examines the trade and distribution characteristics of staples in Bandung to inform more effective inflation control policies, ensuring price stabilization, availability, and affordability, while supporting long-term food security and community welfare.

By understanding the characteristics of trade and distribution of staples in the city of Bandung, it is hoped that the policy of controlling the price and supply of staples can be improved. The right policies not only maintain price stability and inflation but also support food security and the welfare of the community as a whole.

METHOD

The study method uses exploratory and descriptive methods with a qualitative approach. Data was collected using interview guideline instruments, documentation study guidelines, and observation guidelines by surveying with a simple random sampling technique on large and small retail traders. To develop a roadmap for the coaching strategy, an approach was adopted, as shown in Figure 1.

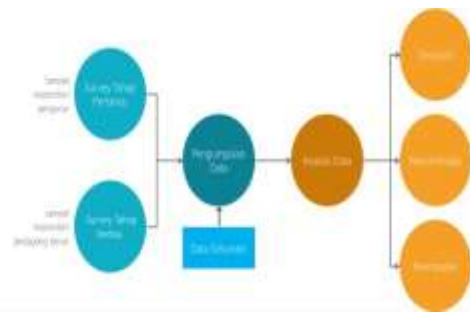


Figure 1. Method of Preparing a Roadmap for Merchant Development in the City of Bandung

Source: Author (2023)

The documents used in this study include written data obtained from the Bandung City Trade Office, the Central Statistics Agency (BPS) of Bandung City, and other relevant institutions, particularly regarding the stability of supply and price control of four main commodities: rice, sugar, flour, and cooking oil in Bandung. The data comprises both primary and secondary sources. Primary data was collected through surveys of 125 retailers and 11 wholesalers, as well as internal data from the Bandung city government, including the Trade Office, Population Office, and other related agencies. Meanwhile, secondary data was obtained from BPS and other pertinent institutions.

Data gathered through interviews, focus group discussions (FGDs), and observations were analyzed using systematic stages. These stages included data transcription, indexing, or coding to facilitate data compilation and analysis, as well as detailed identification and description. To ensure this study is as comprehensive as possible, several frameworks were reviewed, synthesized, and integrated with other studies identified through a literature review. This approach aims to produce a holistic, relevant, and well-integrated analysis that effectively addresses the research objectives.

RESULTS AND DISCUSSION

1. Characteristics of the Staple Goods Industry

The Central Government, through Presidential Regulation No. 59 of 2020 concerning Amendments to Presidential Regulation No. 71 of 2015 concerning the Determination and Storage of Basic Necessities and Essential Goods, stipulates the following types of Basic Necessities: (1) Agricultural Staples: a. rice; b. soybeans raw materials for tofu and tempeh; c. chili; d. shallots; (2) necessities of industrial products: a. Sugar; b. Cooking oil; c. wheat flour; (3) necessities of livestock and fishery products: a. beef; b. purebred chicken meat; c. purebred chicken eggs; d. Fresh fish, namely milkfish, puffer fish, and cob/tuna/skipjack.

2. Trade and Distribution of Basic Goods in the City of Bandung

The city of Bandung, which has a population of 2.44 million people (2020 Population Census), is known as one of the destination cities for immigrants from various regions on the island of Java and non-Java. The city of Bandung has also become a center of activity not only for locals but also for residents in the surrounding area. During the day, the number of people in the city of Bandung is estimated to increase almost double. This condition is related to the rapid economic development in the city of Bandung which is quite far away from the surrounding areas.

Most of the population of Bandung City, both local and immigrant, are involved in the trade sector (295,118 people), surpassing the number of people absorbed into the processing industry (224,138 people) and services (177,893 people) (BPS Bandung City, 2006). The trade sector is also the largest contributor to the GDP (Gross Regional Domestic Income) of Bandung City, which is around 38 percent. Then followed by the processing industry sector which accounted for around 28 percent.

3. Government Food Reserves

The fluctuation in the price of several types of food in the period leading up to, during, and after the month of Ramadan and the holidays that recur every year has been understood by the wider community. The intensity of price fluctuations for each type of food in that period was different, influenced by the difficulty of managing and storing each type of food, as well as the magnitude of the influence of traders' expectations in taking profits.

It is worth noting that the price fluctuations of the three foods are still ongoing, even though the government has tried to reduce them with various policies, including smoothing distribution, providing opportunities to accelerate imports for those who have obtained permits, and increasing the allocation of a considerable import volume. The behavior of the price movements of the three commodities did not occur in the price of rice, which has strategic economic, social, and political value.

The management of stabilization of food supply and prices is a government obligation mandated in Law (UU) Number 18 of 2012 concerning Food (article 13). In this Food Law, it is stated that the main source of national food supply comes from domestic production and national food reserves (CPN). If the two sources are insufficient, then it can be fulfilled from imports (Article 24).

Thus, two things are very clear and firmly mandated by the Food Law. First, imports are the

last resort to provide enough food for all residents at affordable prices for people's purchasing power. Second, the CPN is an important instrument in fulfilling food supply and maintaining food price stability.

By the Food Law, CPN consists of government (central) food reserves and food reserves of local governments (provinces and districts/cities), villages, as well as community food reserves (Articles 23 and 27). Until now, Indonesia has only had government food reserves for rice. The implementation is managed by BULOG. There are two considerations in determining the procurement of food stocks. These considerations include the availability of commodities during the harvest period and also the nature of the commodity, whether it has characteristics that can be stored in the long term or not.

4. Price Stabilization and Staples

Various regulations are established to regulate and maintain the stability of food supply and prices. This is in line with Law Number 18 of 2012 concerning Food, where the Central and Regional Governments are tasked with controlling and being responsible for the availability of staple and strategic food ingredients throughout the territory of the Unitary State of the Republic of Indonesia. Staple and strategic foodstuffs must be available in adequate quantities, meet quality standards, and at a reasonable price level to maintain food affordability for the community, Law Number 18 of 2012, Article 56 states that the stabilization of the supply and price of staple foods as referred to in Article 55 is carried out through:

- a. Determination of prices at the producer level as a guideline for Government purchases;
- b. Setting prices at the consumer level as a guideline for Government sales;
- c. Management and maintenance of Government Food Reserves;
- d. Regulation and management of food supply;
- e. Determination of tax and/or tariff policies that are in favor of the national interest;
- f. Arrangement of smooth distribution between regions; and/or
- g. Regulation of Food Export and Food Import.

The Government's policy is stabilizing the supply and prices of basic goods by setting the highest retail price (HET) and the cost of purchase (COGS).

Highest Retail Price = The highest price set by the government, where the price is still within reach of consumers. It is only specialized in certain commodities that can still be stored.

Cost of Purchase = The lowest price during the harvest allowed by the government, where the price aims to protect producers.

At the time of the big harvest, the price of the equilibrium formed in the market is potentially too low, because the quantity of goods offered far exceeds the demand. So that the equilibrium price in the market can cause losses/bankruptcies for producers because the price is below the amount of production costs that must be incurred by producers, so here the government sets a base price to protect producers by raising the price of goods above the equilibrium price with the aim that producers can get profits and continue production. The increase in the price of this item causes an oversupply of the item. For goods that are not sold out in the market, the government as a policy maker, is responsible for buying all goods that are still in the market and storing them in bulk.

In times of famine, the equilibrium price in the market has the potential to be too high compared to people's purchasing power. Here, the government takes a policy in the market by setting the HET so that the price of goods formed in the market can be stable and not too high, so that the price of the goods can later be affordable by consumers and also so that consumer needs can be met. The decline in the price of goods in the market causes excess demand compared to the availability of these goods because the price of goods formed in the market is below the equilibrium price. Bulog stock is issued to meet consumer demand in the market, here the role of the government is responsible for meeting all consumer demand in the market and also at a price that can be affordable by consumers. In ensuring the availability of supply and stabilization of prices of necessities (Law No. 7 of 2014 articles 26 and 27), the government can assign SOEs to import and distribute goods as a market control business.

Basic Needs Market Monitoring System

Prices of staple foods are volatile. In addition, what also affects the rise and fall of the price of staple foods due to the scarcity of food supplies, will also have a big impact on market participants. The government continues to strive to rehabilitate prices so that price increases do not jump too much, one of which is through the Basic Needs Market Monitoring System. With this system, the surge in staple food prices can be controlled and can be controlled properly by the government, at least if there are indications that can have an impact on the purchasing value of the people, the government will be quick to respond to overcome all problems.

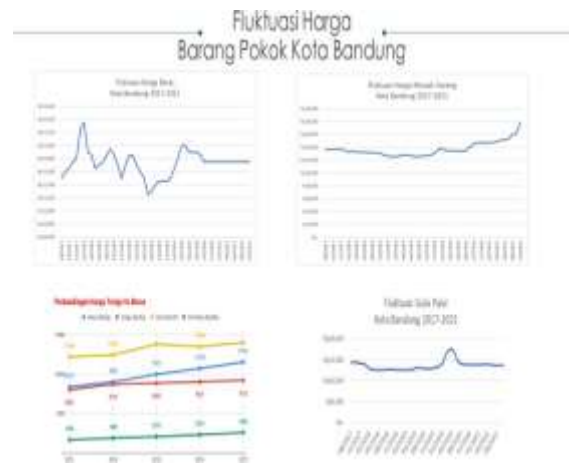


Figure 2. Fluctuations in Prices of Basic Goods in Bandung City

Source: Secondary Data (Author, 2024)

Based on data that has been obtained from the National Strategic Food Price Information Center, the results of monitoring in the city of Bandung in the last 5 years show that there are several commodities B = staples, some have experienced price increases, and some are stable. This shows the success of the performance and synergy of various government functions in controlling supply and price stability.

Risk analysis involves identifying the sources, likelihood, and impact of potential risks, while risk mitigation refers to planned actions to reduce these risks' harmful effects. Key steps include: (1) reviewing internal controls like laws, regulations, and SOPs; (2) estimating the probability of risks; (3) assessing impact levels; (4) determining risk amount and level using a Risk Analysis Matrix; and (5) creating a risk map to visualize risks based on their position within the Risk Appetite line. This structured approach allows for prioritizing risks that require specific action or monitoring.

Table 1. Rice Supply and Price Stability

Risiko	Indikator	Pelaku	Konsekuensi	Tindakan yang perlu
Risiko Rendah dan Stabilitas Harga Tinggi				
1.1. KETERSEDIAAN PASOKAN	Monevrisasi stok beras nasional, ketersediaan beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
1.2. STABILITAS PASOKAN	Pada distribusi di kota Bandung tidak terjadi peningkatan stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
1.3. STABILITAS HARGA	Stok beras nasional, stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
1.4. KETERSEDIAAN PASOKAN	Stok beras nasional, stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
Risiko Rendah dan Stabilitas Harga Rendah				
2.1. KETERSEDIAAN PASOKAN	Pada distribusi di kota Bandung tidak terjadi peningkatan stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
2.2. STABILITAS PASOKAN	Pada distribusi di kota Bandung tidak terjadi peningkatan stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
2.3. STABILITAS HARGA	Stok beras nasional, stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional
2.4. KETERSEDIAAN PASOKAN	Stok beras nasional, stok beras nasional, stok beras nasional	Stabil	Tinggi	Pemerintah Kota Bandung melakukan pemantauan dan kontrol stok beras nasional, serta melakukan pemantauan dan kontrol stok beras nasional

Source: Primary Data (processed by Author, 2023)

Rice is a staple food for a large portion of the world's population, particularly in Asia, including Indonesia. Maintaining a stable rice supply and

price is essential for ensuring food security, controlling inflation, and supporting economic stability, especially for low-income populations who rely heavily on rice as a primary food source.

Key Factors Affecting Rice Supply and Price Stability

Production Factors

Climate and Weather Conditions. Rice production is highly dependent on favorable weather, and disruptions such as droughts, floods, or erratic rainfall can reduce yields and affect supply. Climate change exacerbates these risks.

Farming Practices. The use of advanced farming technologies, irrigation systems, and high-yielding rice varieties can increase production, contributing to supply stability. Conversely, poor farming infrastructure and outdated techniques can hinder production.

Land Availability. The conversion of agricultural land to industrial or residential use reduces the area available for rice cultivation, which impacts the overall supply.

Government Policies and Interventions

Subsidies and Support. Governments often provide subsidies for fertilizers, seeds, and other agricultural inputs to support rice farmers and boost production. Inadequate support or mismanagement can lead to a decrease in supply.

Import and Export Regulations. Some countries rely on rice imports to meet domestic demand. Trade restrictions or disruptions can affect supply and drive price volatility. Similarly, countries that export rice need to balance domestic needs with international trade demands.

Price Stabilization Programs. Governments may establish buffer stocks or impose price controls to ensure rice price stability. Agencies like Indonesia's Bulog (Badan Urusan Logistik) play a key role in managing rice stockpiles and stabilizing prices through market interventions.

Market Dynamics

Demand Fluctuations. Changes in population growth, consumer preferences, or income levels can alter rice demand. In countries where rice is a staple, even small fluctuations in supply can have a significant impact on prices.

Global Market Conditions. International rice prices are influenced by factors such as global supply shortages, political instability, and currency fluctuations. Export bans or production shocks in major rice-producing countries can trigger price spikes globally.

Supply Chain and Distribution

Logistics and Infrastructure. Efficient transportation and distribution systems are vital for moving rice from production areas to markets. Poor infrastructure, bottlenecks, or disruptions in supply chains can delay rice delivery and increase costs.

Storage Facilities. Inadequate storage capacity can lead to post-harvest losses, reducing the effective supply of rice and contributing to price increases. Maintaining proper storage and minimizing wastage is crucial for price stability.

Policy Recommendations for Stabilizing Rice Supply and Prices

Investment in Agricultural Technology. Encourage the use of modern farming techniques, high-yield varieties, and climate-resilient practices to enhance productivity and reduce vulnerability to environmental changes.

Strengthening Supply Chain Infrastructure. Improve transportation, logistics, and storage facilities to ensure smooth distribution and minimize losses.

Buffer Stocks and Strategic Reserves: Maintain adequate buffer stocks to cushion against supply shocks and price spikes. Institutions like Bulog can be more proactive in market interventions during supply disruptions.

Diversifying Supply Sources. Countries dependent on rice imports should diversify their sourcing to reduce reliance on any single supplier and mitigate risks from global market volatility.

Long-term Food Security Strategies. Governments should adopt long-term strategies that address both production and consumption patterns, ensuring that the country is not overly reliant on external factors to stabilize rice prices.

Ensuring the stability of rice supply and prices is a multidimensional issue that requires coordinated efforts across production, policy, and market levels.

Table 2. Stability of Supply and Price of Sugar

No	Indikator	Tingkat		Tindakan yang harus dilakukan
		Stabilitas	Fluktuasi	
1.1	KETERSEDIAAN PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
1.2	STABILITAS PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
1.3	STABILITAS HARGA	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
1.4	KETERSEDIAAN PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
2	Indikator Stabilitas dan Fluktuasi Harga			
2.1	KETERSEDIAAN PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
2.2	STABILITAS PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
2.3	STABILITAS HARGA	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan
2.4	KETERSEDIAAN PASOKAN	Stabilitas	Fluktuasi	Perlu dilakukan upaya untuk meningkatkan produksi dan distribusi pasokan

Source: Primary Data (processed by the Author, 2023)

Stability of Supply and Price of Sugar

Sugar is an essential commodity with broad applications in food industries and households. Ensuring the stability of sugar supply and prices is crucial for maintaining food security, managing inflation, and supporting agricultural economies, especially in countries where sugarcane or sugar beet is a major crop.

Key Factors Affecting Sugar Supply and Price Stability:

1. Production Factors

Sugar production is influenced by various factors, including climate, agricultural practices, and crop health. Extreme weather events and climate change can reduce yields of sugarcane and sugar beet, disrupting supply. Efficient farming techniques and improved crop varieties can enhance productivity, while reliance on traditional methods limits output. Additionally, crop diseases and pest infestations can cause significant supply shortages and price volatility.

2. Government Policies and Regulatory Frameworks

Government policies significantly influence sugar markets through subsidies, import-export controls, and price regulation. Subsidies can stabilize domestic production but may distort markets, causing surpluses or shortages. Import restrictions can drive up prices during low domestic supply, while export bans in major exporting countries impact global prices. Price controls protect consumers from surges but risk long-term inefficiencies and supply issues.

3. Global Market Dynamics

International Trade Fluctuations. Sugar is traded globally, and disruptions in the international market, such as geopolitical tensions, trade restrictions, or changes in currency exchange rates, can affect prices. Global supply shortages or surpluses influence domestic markets, especially for countries that import sugar.

Global Supply Chain Disruptions. Factors like transportation costs, port congestion, or logistical delays can disrupt the flow of sugar between producers and consumers, leading to supply imbalances and price increases.

4. Demand and Consumption Patterns

Global sugar demand is rising due to population growth and increased consumption of sugar-rich foods and beverages, causing potential supply-demand mismatches and price volatility. While health concerns are reducing demand in some regions, growing incomes in developing

countries are driving increased sugar consumption, leading to fluctuating market trends.

5. Supply Chain and Distribution

Efficient transportation, robust distribution networks, and adequate storage facilities are crucial for maintaining stable sugar supplies. Poor logistics and inadequate storage can cause delays, spoilage, or quality loss, leading to supply chain disruptions and price fluctuations. Proper handling and infrastructure investment are essential to ensure availability and market stability.

6. Strategies for Stabilizing Sugar Supply and Prices

Mitigating sugar supply risks requires diversifying import sources, boosting domestic production, and investing in technology for efficient farming and resilient crops. Strategic sugar reserves can buffer against supply shocks, while balanced subsidies and targeted incentives ensure stable production without market distortions or unsustainable surpluses.

Table 3. Stability of Supply and Price of Wheat

#	Kelompok	Deskripsi	Peluang	Konsentrasi	Tindakan terhadap risiko
Risiko Internal Kota Bandung (Sektor Hula)					
1.1	KETERSEDIAAN PASOKAN	Masyarakat Kota Bandung kesulitan mendapatkan barang kebutuhan pokok di tingkat pengecer	Rendah	Sedang	Pasokan Gandum dari ketiga kelompok 100% disalurkan dari luar negeri. Ketika terjadi kelangkaan segera diversifikasi dengan mengimpor jagung
1.2	STABILITAS PASOKAN	Pada Distributor di Kota Bandung tidak dapat menyediakan pasokan dalam jumlah dan waktu pengiriman sesuai kebutuhan	Rendah	Sedang	Persediaan di pengecer dan rumah tangga tetap untuk mengantisipasi ketidak stabilan pasokan
1.3	STABILITAS HARGA	Terjadi Fluktuasi Harga di tingkat pengecer. Harga naik menjelang hari raya dan sewaktu-waktu	Rendah	Sedang	untuk mengendalikan fluktuasi harga yang lebih tinggi dan memperpanjang di tingkat konsumen perlu ada intervensi atau operasi pasar
1.4	KETERJANGKAUAN	Harga naik terus menerus hingga masyarakat tidak sanggup membeli	Rendah	Sedang	masih ada alternatif bahan tepung lain
Risiko Eksternal Luar Kota Bandung (Sektor Hula)					
2.1	KETERSEDIAAN PASOKAN	Pada Pelaku usaha perdagangan dan distribusi di Kota Bandung tidak mendapatkan pasokan barang pokok	Rendah	Sedang	Monitoring dan koordinasi dengan asosiasi
2.2	STABILITAS PASOKAN	Peserek tidak lancar menyuplai barang ke Kota Bandung sesuai kebutuhan dan waktu pengiriman	Rendah	Sedang	Mencari alternatif pasokan dari impor lain
2.3	STABILITAS HARGA	Terjadi Fluktuasi Harga di tingkat pemasok. Harga naik menjelang hari raya dan sewaktu-waktu	Rendah	Sedang	Fluktuasi Harga Tinggi sangat dipengaruhi harga internasional
2.4	KETERJANGKAUAN	Harga naik terus menerus hingga masyarakat tidak sanggup membeli	Rendah	Sedang	Harga Tinggi tergantung pada harga internasional

Source: Primary Data (processed by the Author, 2023)

Efficient supply chain management, including investments in transportation, logistics, and storage, is crucial for a smooth sugar distribution, minimizing bottlenecks. Governments and businesses must monitor global market trends to anticipate supply disruptions. Sustainable production practices help reduce long-term environmental risks. Balancing agricultural policies, effective supply chain management, and international trade strategies is vital to stabilizing sugar supply and prices. In Bandung, the study emphasizes the need for policies that ensure stable food supplies and prices, monitor trends to maintain purchasing power prevent price instability, and ensure continuous access to essential goods.

Bandung can evaluate the likelihood and impact of potential risks, such as food shortages or price hikes. A proactive risk management plan, including a risk map and strategies for addressing these challenges, would allow the city to respond swiftly to food security threats.

Finally, strengthening regulations on import and export controls would ensure that the city's food supply is diversified and resilient to global market fluctuations. While imports can help supplement local supply, ensuring that import regulations are aligned with market stability goals is essential. Diversifying import sources would protect the city from potential supply disruptions caused by geopolitical or economic instability in other regions.

By implementing these policies, Bandung City would be better equipped to manage food supply and price stability. These measures would not only protect the city's economy but also ensure that residents have access to affordable and consistent supplies of essential goods, supporting the well-being of the growing population.

CONCLUSION

The trade and distribution of basic needs in Bandung are crucial for ensuring price stability and availability. Key commodities requiring stable supply and price control include rice, sugar, flour, and cooking oil. While cooperation among producers, traders, consumers, and the government has stabilized prices to some extent, significant fluctuations persist due to seasonal harvests, policies, and global markets, affecting low-income households most severely. To address these challenges, the Bandung City Government must implement strategic measures.

First, strengthening local food reserves by expanding commodity types and managing reserves effectively can mitigate price spikes. Second, developing distribution infrastructure through improved transportation and logistics can enhance efficiency, reduce costs, and minimize post-harvest losses. Implementing a real-time price monitoring system is essential for the early detection of fluctuations and rapid response.

Supporting farmers with training and subsidies can boost productivity and local market availability, while flexible import-export policies can address supply shortages. Setting Maximum Retail Prices (HET) and base purchase prices can protect both consumers and producers. Diversifying food sources reduces reliance on specific commodities, minimizing fluctuation risks.

Building partnerships with stakeholders in the food sector fosters synergies for price stability and food availability. Through these steps, the

Bandung City Government can effectively manage price fluctuations, ensure stable food supplies, and improve the welfare of its residents, particularly vulnerable groups. These initiatives lay the groundwork for sustainable and equitable economic development.

Research limitations include restricted historical data, focus on Bandung City limiting generalizability, and reliance on quantitative methods without qualitative insights into market behaviors. Limited access to detailed distribution data, exclusion of external factors like weather and geopolitics, and lack of policy implementation analysis further constrain the study's scope and application.

ACKNOWLEDGMENTS

Thank you for the support of data and funds from the Bandung City Trade Office, which assisted in the implementation of research whose contribution was not significant enough to be included in the authorship group.

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