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BANDAR LAMPUNG CITY GOVERNMENT'S POLICY IN REVIVING MICRO, SMALL AND MEDIUM ENTERPRISES THROUGH THE NATIONAL ECONOMIC RECOVERY PROGRAM

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ABSTRACT

The emergence of Covid-19 and the occurrence of a pandemic caused the rapid development of MSMEs to experience a decline, so that it had a direct impact on the economic income of MSME. The government provides MSME assistance through the National Economic Recovery Program Policy based on Government Regulation No 43 of 2020 concerning Amendments to Government Regulation No 23 of 2020 concerning Implementation of the PEN Program. Field facts noted that from 2019 to 2020 business development in the micro category in Bandar Lampung City has decreased by 3,404. This study uses a normative and empirical juridical approach. Data collection is done by literature study and field study. Data processing includes data selection, data qualification, data compilation. Data analysis uses descriptive qualitative analysis. The results of this study indicate that the City Government of Bandar Lampung's policy in generating Micro, Small and Medium Enterprises through PEN has been running optimally. It can be seen that the increase in businesses in the micro category reached 2,502, namely with the policy of providing facilities in terms of licensing, providing facilities to obtain capital assistance for Micro

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EUROPUB

Bandar Lampung City Government's Policy in Reviving Micro, Small and Medium Enterprises Through the National Economic Recovery Program



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ABSTRACT: The emergence of Covid-19 and the occurrence of a pandemic caused the rapid development of MSMEs to experience a decline, so that it had a direct impact on the economic income of MSME. The government provides MSME assistance through the National Economic Recovery Program Policy based on Government Regulation No 43 of 2020 concerning Amendments to Government Regulation No 23 of 2020 concerning Implementation of the PEN Program. Field facts noted that from 2019 to 2020 business development in the micro category in Bandar Lampung City has decreased by 3,404. This study uses a normative and empirical juridical approach. Data collection is done by literature study and field study. Data processing includes data selection, data qualification, data compilation. Data analysis uses descriptive qualitative analysis. The results of this study indicate that the City Government of Bandar Lampung's policy in generating Micro, Small and Medium Enterprises through PEN has been running optimally. It can be seen that the increase in businesses in the micro category reached 2,502, namely with the policy of providing facilities in terms of licensing, providing facilities to obtain capital assistance for Micro Business Productive Assistance, providing market access and marketing advice during a pandemic.

KEYWORDS: Policy, MSMES, PEN Program, BPUM

I. INTRODUCTION

The spread of Covid-19 or *Corona Virus Disease* is still increasing cases every day. With the latest variant of the virus, namely Omicron, the number of confirmed Covid-19 cases in Indonesia until March 13, 2022 is 5,890,495 people. Of these, 5,395,433 cases of patients recovered and 152,166 cases of patients who died. At this time the pandemic has a very significant influence on the order of human life. Everyone is required to practice *physical distancing*. *Physical Distancing* itself is a physical distancing of human beings. These restrictions serve as a warning that this virus outbreak can spread quickly. This restriction has a fairly good impact in terms of the decrease in the spread of the Covid-19 virus, but in the economic sector this is inversely proportional. This impact mainly resulted in the closure of a number of business places which resulted in many workers losing their jobs in some places and the closure of MSMEs due to the absence of customers and income. MSMEs are defined as a type of business that is run by individuals or business groups that have sufficient categories as Micro, Small, and Medium Enterprises. The Covid-19 pandemic has changed the Business Competition Map and Consumer behavior that needs to be estimated by people who have businesses due to the policy of limiting the movement of community activities. During the pandemic, customers/consumers carried out their activities from home, because people are increasingly utilizing technology that allows working remotely. Meanwhile, the new competitiveness map and the changing industry landscape are defined by four business characteristics, namely cleanliness, touch-free, avoiding crowds, and mobility restrictions. With these 4 characteristics, it is a way to survive in the current pandemic era. (Saputra & Sedyatmo, 2022)

According to Pranarko and Muljarto, in an effort to create a just and civilized humanity, Empowerment is an effort to develop the of the people, families, communities, nations, values, and ideals. This can be realized in various political activities of law, education, and others. The definition of economy originated from the Greek *aikonomia*, and consists of 2 (two) words, namely *οἶκος* (oikos) meaning family, household and *νόμος* (nomos) meaning regulation, rule, law. Therefore, the economy is the regulations to meet the needs of human life both in the households of the people and the state. (Swastika & Tobibatusaadah, 2019)

According to Swasono in Rintuh, Miar and Cornelis stated that because people's economic empowerment intends the economic development of the majority of Indonesians as the main priority in national development, it must take a real strategy to ensure the acceleration of people's economic growth.

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As a response to the decline in community economic activities, especially MSMEs, the Government runs the National Economic Recovery Program (PEN) program based on Article 1 Number 1 of Government Regulation No. 43 of 2020 concerning Amendments to Government Regulation Number 23 of 2020 concerning the Implementation of the PEN Program. PEN is a series of actions carried out by the government and is the state's financial policy in accelerating the control of the impact of the Covid-19 pandemic on the economy.

Table 1.1 Number of MSMEs in Bandar Lampung City in 2019-2021

Business Categories	Year		
	2019	2020	2021
Micro	5303	1899	2502
Small	70	34	26
Intermediate	12	10	0

Data Source: Bandar Lampung City Cooperatives and SMEs Office

Based on the table above, it can be explained that the development of both micro enterprises, small and medium enterprises in the Bandar Lampung City area in 2019 to 2020 was recorded as many as 3,404 out of 5,303 experienced a decrease in growth, namely a decrease in the number of 1,899, in the small business category it was recorded as many as 336 out of 70 experienced a decrease in growth, namely a decrease in the number of 34, In the medium usaja category, it was recorded that 2 out of 12 experienced a decrease in growth, namely a decrease in the number of 10. From 2020 to 2021, the number of MSME data in Bandar Lampung city has differences from the previous year, namely the number of MSME data in the micro business category in Bandar Lampung City experienced substantial growth, businesses in the micro category were recorded as many as 1,899 out of 2,502 experienced an increase in yait growth of 603. However, in the small category of businesses, it still decreased by 34 to 20. Similar to businesses in the small category, businesses in the middle category also experienced a significant decline in growth,

II. DISCUSSION

1. Bandar Lampung City Government Policy in Generating Micro, Small and Medium Enterprises through the National Economic Recovery Program

Based on Government Regulation No. 43 of 2020 concerning Amendments to Government Regulation No. 23 of 2020 concerning the implementation of the PEN Program. The PEN program is a series of actions carried out by the government and is the state's financial policy in accelerating the control of the impact of the Covid-19 pandemic on the economy. As a response to the decline in community economic activities, especially MSMEs, the government runs this program with the aim of maintaining, fortifying and increasing the economic strength of the community. In support of the PEN-MSMES program, the government provides BPUM and interest subsidies through KUR Bandar Lampung city government's policies in reviving MSMEs through the National Economic Recovery Program are:

1. Provide facilities in terms of licensing

The city government's policy in providing facilities in terms of licensing is based on Bandar Lampung Mayor Regulation Number 14 of 2021 concerning the implementation of business licensing in Bandar Lampung City, namely by recommending and providing information about business licenses through the Sai Betik website, Sai Betik is a support system for risk-based licensing operations owned by the Bandar Lampung city government which is used by the PMPTSP Office as Support the OSS system to make it easier for people to obtain business licenses and obtain information related to business licenses. The main requirement for business actors to obtain assistance from the Micro Business Productive Assistance (BPUM) program and interest subsidies through the KUR is to have a Business Identification Number (NIB) or Business Certificate (SKU). On the Sai Betik website, there are information or instructions for the people of Bandar Lampung city to access and create NIB through the oss.go.id website. However, not all people understand the use of information technology, for people who lack understanding in information technology to obtain a business license, the city government coordinates with sub-districts or sub-districts to provide convenience in managing Business Certificates (SKUs) in lurah or cama t, and in making SKUs there is no charge whatsoever in the process of making the permit.(Habibi et al., 2022)

2. Capital Assistance

In the policies carried out by local government organizers, there is authority handed over to the Bandar Lampung City Cooperatives and SMEs Office in accordance with Law No.23 of 2014 concerning Regional Government, namely concurrent authority. If it is related to the concurrent authority, the implementation of government policies in generating MSMEs through the

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PEN Program can be carried out through local cooperatives and SMEs. This authority was taken because it can be seen from the decline in the growth of micro-enterprises in Bandar Lampung City.

Capital assistance in the PEN-MSMES program provided by the government is to provide facilities for MSME actors to get Assistance for Micro Business Actors (BPUM) based on Article 1 Paragraph 1 of the Regulation of the Minister of Cooperatives and Small and Medium Enterprises No. 2 of 2021 concerning Amendments to the Regulation of the Minister of Cooperatives and Small and Medium Enterprises Number 6 of 2020 concerning General Guidelines for BPUM Distribution. BPUM is a support for micro-business actors by the government who allocate funds from the state budget. BPUM is one of a series of programs from the National Economic Recovery (PEN) so that MSME actors can continue their business amid the Covid-19 pandemic. BPUM is a fund from the government that can be regulated either directly or indirectly by the beneficiaries. This assistance is a gift of money into the economic sector and is given in cash so that beneficiaries can use the funds according to their respective needs. For micro-enterprises that do not yet have access / credit / loan assistance, the government runs a program as government support for micro business actors.

The benefits of the assistance program provided by the government are:

- 1) Resurrecting MSMEs that had closed BPUM capital assistance can help micro-entrepreneurs who have capital difficulties so that businesses that were previously forced to close were able to reopen with a more promising type of business.
- 2) Developing MSMEs BPUM capital assistance distributed to micro-entrepreneurs can be additional capital so that they can continue to survive and develop businesses in difficult times such as the pandemic, this capital is expected to grow and get bigger.
- 3) Reducing Unemployment As a result of the pandemic, the unemployment rate continues to increase, this is because the economic sector is declining and some businesses have been forced to close because they do not get profit from the business they are running. MSMEs that can develop from the capital provided so that they can create new jobs.

Table 2. Number of BPUM Beneficiaries in 2020

Year	Registrar	Recipient
2020	18.232	17.970

Source: Bandar Lampung City Cooperatives and SMEs Office

Based on Article 3 Paragraph 1 of permenkop UKM No.6 of 2020. For micro-entrepreneurs who have met the requirements, BPUM is allocated once in the form of cash of Rp. 2,400,000. In 2020 the government is targeting 12 million micro-entrepreneurs who can receive BPUM. In 2020 the Bandar Lampung City Cooperatives and SMEs Office succeeded in facilitating a total of 18,232 files of MSME actors submitted and as many as 17,970 MSME actors in Bandar Lampung City who successfully received BPUM funds.(Djirimu et al., 2021)

Table 3. Number of BPUM Beneficiaries in 2020

Year	Registrar	recipient
2021	9.025	8.968

Source: Bandar Lampung City Cooperatives and SMEs Office

In 2021 the amount of funds for BPUM capital assistance changed as stipulated in Permenkop UKM No. 2 of 2021 concerning Amendments to the SME Permenkop No. 6 of 2020 concerning the Implementation of the PEN Program, BPUM was allocated once in the form of cash of Rp. 1,200,000. This year, the Bandar Lampung City Cooperatives and SMEs Office facilitated 9,025 submissions and as many as 8,968 MSME actors in Bandar Lampung City who successfully received BPUM funds. There are several possible factors that cause micro-business actors who do not receive BPUM funds, namely:

- 1) Currently receiving KUR, In accordance with the conditions set by the government, BPUM is intended for micro-business actors who have not applied for KUR loans at banks.
- 2) Registered as a recipient of other government assistance, such as rice social assistance, Cash Social Assistance (BST), Harapan Family Program (PKH), Pre-Employment Card, and other assistance.
- 3) The quota has been met, in BPUM registration the government has provided quotas for BPUM registrants in 2020 as many as 12 million micro business actors who received BPUM and in 2021 the government targeted 12.8 million micro business actors who received BPUM. And for the Bandar Lampung City government itself, there is no limit on the number of submissions of prospective BPUM recipients to the Central Government.

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1. Marketing and Exhibition Access

In addition to capitalization, the Bandar Lampung city government's policy in reviving MSMEs is through marketing and market access. Marketing is a term used to describe business strategies used by business actors to increase sales of a product. The need for a marketing strategy in a business which is a key to be able to determine the success or failure of a business and can continue to grow and develop into a larger business. Therefore, the Bandar Lampung City Cooperatives and SMEs Office advises assisted MSME actors to carry out business activities that reduce direct interaction, namely by conducting online trading in order to maintain their business during the Covid-19 pandemic and can expand marketing networks in promoting the products sold.

While Market Access, market access is an activity or forum for MSMEs to market the products of MSME players so that they can be known by the wider community, in today's technological developments not all business actors can access online marketing, it also needs market access which is a forum for marketing the products of MSME players directly or interacting with buyers. Market access organized by the Bandar Lampung City Government between:

1) Bandar Lampung Expo

Bandar Lampung Expo is a national-scale exhibition activity, this activity can be used as a marketing medium for products produced by MSMEs and this activity aims to be a momentum to revive the economy and various development achievements carried out by the city government, as well as industrial and MSME works in supporting the glorification of the national economy, as well as the government's efforts to provide motivation to MSME actors so that they can continue to develop their businesses. (Decouttere et al., 2021)

2) Karno MSME Tourism Park

MSME Tourism Park is located along Jalan Gatot Subroto, Enggal District, this park can be a place for more than 400 city MSMEs to carry out their business activities and introduce the results of MSME products. The purpose of making this MSME culinary tour is to advance and revive MSMEs in Bandar Lampung City during the Covid-19 pandemic which has made MSME actors experience a transition period. The Bandar Lampung City Government in holding the Karno MSME Tourism Park provides facilities to MSME actors in the form of stalls and tents for selling. The stalls available in the MSME park are stalls where there are no levies or taxes in using the stalls. (Futri et al., 2022)

2. Inhibiting Factors

The existence of rules for the Implementation of Restrictions on the Movement of Community Activities (PPKM) during the pandemic, the inhibiting factor in this case is due to the PPKM policy which makes the Bandar Lampung City Cooperatives and SMEs Office unable to meet directly with the community in the implementation of socialization about the BPUM program because the BPUM program has been socialized by the Ministry of Cooperatives and SMEs through social media, but there is still coordination carried out by the Dinas Cooperatives and SMEs of Bandar Lampung City with sub-districts and sub-districts related to the delivery of information to the community about the existence of the BPUM program. Human Resources, The inhibiting factor in human resources in implementing the BPUM program is the inadequate amount of resources, especially in the field of Micro Business Empowerment consisting of 1 Head of Field and 3 staff members. And in the implementation of recapitulating the proposed data of prospective BPUM recipients and the administrative process of filing is still lacking because there are thousands of submission files for MSME actors that must be data and selected by the Bandar Lampung City Cooperatives and SMEs Office. (Hakim, 2021)

CONCLUSIONS

Bandar Lampung City Government's Policy in Generating Micro, Small and Medium Enterprises through the National Economic Recovery Program based on Government Regulation No. 43 of 2020 concerning Amendments to Government Regulation No. 23 of 2020 concerning the Implementation of the National Economic Recovery Program has been running optimally can be seen from the increase in the number of numbers in the Micro Business category from a total number of 1,899 increasing so that it reaches 2,502, namely with the policy providing facilities in terms of licensing, providing facilities to micro-entrepreneurs to get BPUM capital assistance in order to revive business through the National Economic Recovery Program, and organizing market access and marketing advice for MSME players during the pandemic.

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