

Analysis of the Potential for Original Village Government Revenue Based on Marine and Coastal Resources in Bintan Regency

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Abstract. This study aims to analyze the marine and coastal potential that can be an opportunity to be managed as sources of original village Governance revenue for villages located in the coastal area of Bintan Regency. Updating government regulations provides space for the Village as a center of development, including in the economic field. As a result, villages have more opportunities to multiply and develop into independent villages. The concept of village economic development based on Village Owned Enterprises (BUMDesa) can be an instrument of village economic institutions for optimization in managing, processing, and creating an added value in the economic potentials of marine and coastal resources. This study qualitatively. So far, it has 36 villages in the Bintan district. All of them already have BUMDes with various criteria, namely 9 with pioneer status, 20 as beginners, four as developing, and 3 with Advanced status. BUMDes in coastal villages have started working on their marine and coastal potential, especially for tourism products and services. However, not many have worked on developing and creating value in producing products, especially in fisheries, which are more prospective for the sustainability of BUMDes.

Keywords: The Village; Governance Revenue; Marine; Coastal; BUMDesa.

1 Introduction

Recent developments in governance have placed the Village at the frontline of development. Law No. 6 of 2014 concerning Villages is a legal instrument that brings breakthroughs for the Village Government and village communities in developing and improving the economic welfare of rural communities in achieving village independence [1]. Villages have the authority to regulate their government affairs according to local community initiatives. In carrying out its government, the Village as an autonomous region has the authority to regulate and manage the local community's interests based on its initiative following the community's aspirations. The Village is the smallest and lowest government structure, but its strategic role is to be the starting point for developing community economic growth centers [2].

As stated in the 3rd Nawacita by the President of the Republic of Indonesia, he mandated the development goal of the Indonesian nation, namely through the development of Indonesia from the periphery (The Village) as stated in the 2020-2024 National Medium-Term Development Plan (RPJMN). Including the transformation of underdeveloped villages into

developing villages of 10 million villages, developing villages into independent villages of 5,000 villages, and the transformation of independent villages into self-sufficient villages of 5,000 villages (2020). The government prepares a framework called the Developing Village Index (IDM) to measure village achievements.

The IDM idea is essentially a periphery-based development, which classifies villages into five (5) status levels, namely: very underdeveloped villages, underdeveloped villages, Developing villages, Developed villages, and the independent Village [3]. Each village categorization attempts to illustrate the uniqueness of each Village's character and refine the assessment of the state of the Village, its development, and the necessary policy interventions for a community. In addition, the classification of village status based on the IDM strengthening efforts to facilitate village development support in managing three priority dimensions in the realization of an independent village, namely the dimensions of social, economic, and ecological resilience in a sustainable manner to bring the Village to its ultimate level of achievement, in the independent Village.

For villages to become self-sufficient, especially economically, the increasing potential for original village income (PADes) that they can collect each year is a crucial determinant of their ability to identify and manage their community's resource potential [4]. Among the instruments villages can use to boost their PADes is the establishment and optimization of Village Owned Enterprises institutions. The central government can give a mandate to the village-level government to utilize the potential of existing resources in its area independently, and one way is through economic institutions at the village level, namely Village-Owned Enterprises (BUMDes). Village-Owned Enterprises (BUMDes) are Village business institutions that by the community and village government to strengthen the village economy and are formed based on the needs and potential of the Village or a business institution that has a function to conduct business in order to obtain a result such as profit or profit.

Government Regulation of the Republic of Indonesia Number 11 of 2021 concerning The Village Owned Enterprises, namely BUMDes, is a legal entity established by villages and villages to manage businesses, utilize assets, develop investment and productivity, provide services, and or provide other types of services [5][6]. According to the Law of the Republic of Indonesia, Number 6 of 2014 concerning Villages, namely Village-Owned Enterprises (BUMDes), are business entities whose entire or most of the capital by the Village through direct participation originating from village assets which are separated to manage assets, services, and other efforts for the most excellent welfare of the village community [7].

The establishment and management of BUMDes aim to improve village economic welfare and original income through developing economic enterprises. The establishment of BUMDes to encourage or accommodate all activities to increase people's income, which develops according to local customs or culture [8]. Regulation of the Minister of Villages Number 4 of 2015 on the Establishment, Management, Management, and Dissolution of BUMDes Article 3. Namely, Improving the village economy, maximizing village assets so they can be used for village welfare, increasing community business to manage the Village's economic potential, and developing business cooperation plans between villages [9]. In addition, third parties create opportunities and market networks that support the public service needs of citizens, create jobs, and improve community welfare by improving public services, growth, and fair distribution of resources (PADes) [5]. Management of business units under BUMDes is more appropriate than management under cooperatives. This economic institution can increase village income. Moreover, BUMDes to be able to absorb unemployed workers in the Village.

Therefore, BUMDes is an instrument for strengthening the village economy and community welfare. The management that BUMDes as an economic institution in the Village,

then BUMDes becomes an institution established by the community without any instructions from the government. Without government instructions, villages should be aware of forming BUMDes, especially in the current era of autonomy. The autonomy rights owned by the Village should be able to encourage the village government to establish BUMDes to bring up village independence.

Bintan Regency is part of the Kepulauan Riau Province, famous for its abundant maritime potential. The geography of the Kepulauan Riau, which is by the sea, is about 94% of the total area. It is an accurate indicator to be used as the basis for the argument. This area is rich with economic potential in the marine and coastal sectors. Bintan Regency is one of the regencies that relies on the potential of marine and coastal resources as the Primadonna of its economy and development, especially after the mining sector – bauxite – is no longer promising. Let us call it the Lagoi tourism complex, the mainstay of the Bintan Regency tourism industry. This argument has made the analysis of the potential analysis of PADes based on marine and coastal potential in Bintan Regency, the point of view of this paper

2 Research Method

This research applies a qualitative approach. Since qualitative research is research conducted in a natural setting, the fundamental data collection methods to obtain information are; involved or plunged directly into the setting, conducting direct observations, open interviews, and analysis of documentation to write all the information that can answer this research question [10]. It is in line with the opinion of Catherine Marshall and Gretchen B. Rossman [11], stating; that the fundamental methods relied on by qualitative researchers for gathering information are participation in the setting and direct observation, in-depth interviewing, and document review. These findings were then analysis method to map the potential and prospects of optimizing marine and fishery resources supporting the original village income in coastal areas.

3 Result

Indonesia was a maritime country with a sea area of 5.8 million km² and a large diversity of marine and fishery resources to source Bappenas in 2014, the total potential for world marine fish production (KEPMEN KP, 45-2011). With the wealth of the sea and fisheries so extensive, this starkly contrasts with the sad economic condition of fishers in Indonesia, especially in rural areas. The assumption that the magnitude of marine and fishery resources enables fishers to live in prosperity by data from the Ministry of Maritime Affairs and Fisheries in 2010 confirms that there are 7.87 million poor coastal communities and 2.2 million impoverished coastal residents spread over fishing villages on the coast. President Joko Widodo, in the second Nawa Cita pillar (World Maritime Axis), emphasized his commitment to maintaining and managing marine resources with a focus on building seafood sovereignty by placing fishers as the main actors through the development of the fishing industry. Therefore, President Joko Widodo's commitment is to continue to encourage the central/provincial/regional government to improve the welfare of fishers and develop rural areas that have fishery potential. The fishery sector is one of the strategic factors that drive the economy at the village level and becomes part of the Indonesian economy if its utilization is managed and optimized correctly.

This potential makes managing natural resources in rural areas based on fisheries need to be encouraged and requires serious attention to increase the benefits for the Village. The new concept and paradigm of fishery-based village management that implements fishery management in the Village is not just managing and taking advantage of the short term. However, it includes long-term benefits and independence for rural communities by involving advice and infrastructure and the active role of community/village institutions. The strategic position of rural areas is the base for experience and enlargement of village development. One of them can be through fishery-based village development by utilizing village funds. Village Law Number 6 of 2014 formulates the Village's original income consisting of several sources:

1. Allocation of the State Revenue and Expenditure Budget (APBN)
2. Part of the results of regional taxes and levies for districts/municipalities
3. Allocation of village funds which are part of the balancing fund received by the district/city
4. Financial assistance from the provincial APBD and district/city APBD
5. Non-binding grants and donations from third parties

The Regional Government of Bintan Regency, in 2018, received a Village Fund (DD) allocation from the APBN for IDR 30.903 billion and disbursed a Village Fund (ADD) budget to 36 villages sourced from the Bintan Regency APBD of IDR 50.075 billion. With IDR 83.978 billion for 36 villages, the average per Village has funds of IDR 2.3 billion. Therefore, BUMDes must have a role in managing and utilizing the potential for village fund turnover.

Table 1. The Village Original Income 2016-2021 Bintan Regency

Sub-District	Village	BUMDes Name	PADes 2018 (IDR)	PADes 2019 (IDR)	PADes 2020 (IDR)	PADes 2021 (IDR)
	Tembeling	Bina Karya	2,259,750	1,242,300	962,400	958,200
	Pengujan	Karya Bersama	1,006,250	2,375,000	900,000	625,000
Teluk Bintan	Bintan Buyu	Tri Mufakat Bintan	2,805,230	3,000,000	727,030	33,000
	Pangkil	Mitra Bahari Penaga Maju Bersama	1,471,500	2,477,200	2,589,800	1,239,000
Bintan Utara	Penaga		-	-	-	-
	Lancang Kuning	Jaya Gemilang	2,135,375	-	8,264,650	-
Teluk Sebung	Ekang Anculai	Anugrah Ekang	36,130,465	35,513,700	29,576,840	35,116,800
	Berakit	Maju Bersama	8,575,943	29,018,718	11,271,600	5,637,190
	Sebong Lagoi	Bina Bersama	6,222,150	6,000,000	-	4,883,540
	Sebong Pereh	Sebong Pereh Gemilang	-	6,000,000	-	4,000,000
	Pengudang	Pengudang Jaya	36,130,465	35,513,700	29,576,840	35,116,800
Seri Kuala Lobam	Sri Bintan	Bintan Lestari	8,575,943	29,018,718	11,271,600	5,637,190
	Teluk Sasah	Mitra Perdana	23,335,240	31,000,000	40,752,724	33,671,926
	Kuala	Seri Kuala Raya	1,650,000	3,030,800	1,899,350	-
Gunung Kijang	The Sempang	Dendang Betuah	11,443,700	16,121,760	7,650,000	3,789,200
	Malang Rapat	Sahabat	-	2,474,775	1,899,350	3,392,343

Sub-District	Village	BUMDes Name	PADes 2018 (IDR)	PADes 2019(IDR)	PADes 2020(IDR)	PADes 2021(IDR)
Mantang	Teluk Bakau	Bina Sejahtera	-	2,245,000	-	1,090,655
	Gunung Kijang	Gemilang	-	3,930,000	18,600,000	-
	Mantang Lama	Karya Bersama	-	4,026,721	4,742,879	-
	Mantang Baru	Mantang Baru	4,009,795	6,896,475	-	-
	Mantang Besar	Mantang Sejahtera	2,673,388	2,106,799	3,809,444	1,008,000
	Dendun	Maju Bersama	-	-	-	-
	Numbing	Kurnia Jaya	6,389,720	-	647,980	1,125,000
Bintan Pesisir	Kelong	Kelong Berwirausaha	3,002,300	-	-	3,631,735
	Mapur	Mapur Mandiri	2,643,363	3,744,510	897,951	-
Toapaya	Air Glubi	Maritim Jaya	8,377,250	1,581,358	1,500,000	-
	Toapaya Selatan	Mitra Karya Sejahtera	8,806,500	11,194,591	11,424,402	7,929,900
	Toapaya	Sukses Jaya Gemilang	-	6,050,871	4,488,021	-
	Toapaya Utara	Three Bhakti Karya	12,559,800	12,296,088	5,100,000	4,607,750
	Kampung Hilir	Sehati	18,310,432	29,199,130	29,199,130	30,266,390
Tambelan	Pulau Pinang	Sejiwa	-	6,736,000	6,736,000	5,715,200
	Kukup	Harapan Kita	-	12,886,998	12,886,998	9,716,030
	Batu Lepuk	Tunas Jaya	-	6,736,000	6,736,000	5,715,200
	Mentebung	Bangkit Kembali	-	6,736,000	6,736,000	13,519,950
	Kampung Melayu	Maju Melayu	-	8,688,850	8,688,850	15,676,962
	Pulau Pengikik	Perjuangan Jaya	-	6,736,000	6,736,000	5,715,200
Total of Revenue			173,456,781	296,550,537	235,423,399	228,744,345

Source: The Village Community Empowerment Service of Bintan Regency in 2022.

In implementing the policy regarding the formation and management of BUMDes, the Bintan Regent Regulation Number 49 of 2019 concerning the Establishment, Management and Management and Dissolution of Village-Owned Enterprises to guide the Village Government in establishing, administering and managing, and disbanding BUMDes, as an effort to accommodate all activities in the economic sector and public services managed by the Village or inter-village cooperation.

4 Discussion

One of the programs that can mandate the Village Law is the management of quality village assets. Village assets are assets to be used as well as possible for the progress and prosperity of

the village community. However, in its implementation, sometimes it is not by these aims and objectives. Explains that the performance of regional asset management is one of the essential elements that form the basis for the assessment of regional government financial performance, which is a measure of the appropriateness of regions to obtain loans or be entitled to issue bonds [12]. Furthermore, optimization in the industrial world maximizes the value of a company's production assets through effective risk management [13].

Conducted a case study in Pontianak Regency on asset management of the Regional Government [12], [14]. The results showed that identifying regional assets that the Regional Government had not utilized became a source of local revenue and improved public services. However, several villages in Bali faced several problems related to the quality of village asset management in terms of optimizing the utilization and professionalism of its management. In addition, it can be taken into account that in some villages, it is still unclear what financial sources for utilizing village assets, and the function of the BPD is not yet optimal. In essence, Village Asset Management is a series of activities ranging from planning, procurement, use, utilization, security, maintenance, elimination, transfer, administration, reporting, assessment, guidance, supervision, and control of Village assets (Permendagri No. 1 of 2016 concerning Management of Village Assets).

When leased, village assets in the form of land must obtain written permission from the Regent. Management of village assets can be done by establishing BUMDes. Villages can establish Village BUMDes. BUMDes can run businesses in the economic sector and public services following the provisions of laws and regulations (UU No. 6 of 2014 concerning Villages). Meanwhile, professionalism is the ability to provide good, fair, and inclusive services and not just a match of expertise with an assignment.

In this case, the professionalism of the village apparatus can fully classify village asset management programs to make it easier in terms of management and supervision. Village Original Income (PAD) management is based on transparency, accountability, participation, orderly, and discipline, reviewed from planning, budgeting, administration, reporting, and accountability to supervision [15].

5. Conclusion

A village with a new perspective, as it is currently said to be a development center that is the spearhead closest to the community, must be able to see resource potential as a strategic opportunity. Villages in Bintan Regency, especially in the coastal zone, need to realize how their marine and coastal potential are valuable assets to realize community welfare. Bintan Regency wants all 32 villages to have Village-Owned Enterprises by 2018. It that BUMDes to emerge as a new economic power in rural areas. However, the Bintan Regency, with several opportunities and potential in the fields of tourism, industry, fisheries, mining, and animal husbandry, has not been in line with the capacity and creativity of the Village.

The size of the allocation of funds owned by the Village is not entirely linear with the capacity of the Village to optimize the utilization of potential, mainly marine and coastal areas, as a source of productive economic activity or as the basis for the existing BUMDes business. Among the existing BUMDes, in general, they still operate with conventional business patterns such as trading, party tent rentals, car rentals, and the like. This business style does not prioritize competitive and comparative advantages in coastal villages compared to the strategic utilization of marine and coastal resources potential, considering that this sector is the most significant potential.

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