

The Implementation and The Impacts of Bali Governor Regulation No. 1 of 2021 Regarding Balinese Fermented Drinks and/or :Local Distillation (Case Study on Arak Producer in Bali)

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Abstract. One of the regional potentials owned by the Province of Bali is a traditional Balinese drink, namely Balinese wine. Besides being used as a means of traditional ceremonies, this Balinese arak drink is also favored by the public and tourists, both local and international. The Provincial Government of Bali issued Governor Regulation Number 1 of 2020 concerning Management of Balinese Fermented and/or Distilled Drinks, one of which regulates Balinese Traditional Drinks, namely Balinese wine. Previously, this regulation was not possible because in Presidential Decree No. 39 of 2014, a typical Balinese drink, in this case arak, was included in the negative investment list. However, with a strong penetration, the Bali Provincial Government was finally able to create a legal umbrella for arak artisans on the Island of the Gods. This study examines the implementation and impact of the implementation of Pergub Bali Number 1 of 2020 both from the side of policy makers and from the side of the arak craftsmen themselves. The method used in this research is qualitative method. The results of this study from the implementation side show that the Provincial Government of Bali has provided a legal umbrella to protect the arak craftsmen but in terms of the perceived impact on the arak craftsmen, including economically, it still has not had a significant impact on their income, in addition to the regulatory side, Arak craftsmen still experience difficulties in the distribution and licensing process of the arak drink products they produce.

Keywords: arak; implementation; local distillation

1 Introduction

The central government has provided legal legality to regional governments through the Law of the Republic of Indonesia Number 32 of 2004 concerning Regional Autonomy as the basis for the implementation of regional government in a broad, real and responsible manner

according to the situation and conditions of regional objectives. This is in line with the spirit of autonomy which is expected to help socialize various government policies.

To run a good local government and based on the Law of the Republic of Indonesia number 32 of 2004 concerning the implementation of regional government, it is an important point for the Bali Provincial Government in organizing and regulating its region from the various regional potentials it has. One of the regional potentials owned by the Province of Bali is a traditional Balinese drink, namely Balinese wine. Besides being used as a means of traditional ceremonies, this Balinese arak drink is also favored by the public and tourists, both local and international. However, before 2020, the arak craftsmen in the province of Bali have always had difficulties in marketing the Balinese arak drink products, considering that this traditional Balinese drink does not yet have legal protection. In terms of circulation, the positive impact of this Balinese arak is the creation of regional development, but from a negative point of view, those who consume it can damage the order of social life itself.

Only in early 2020, the Bali Provincial Government issued Governor Regulation No. 1 of 2020 concerning Governance of Balinese Fermented and/or Distilled Drinks, one of which regulates Balinese Traditional Drinks, namely Balinese wine. Previously, this regulation was not possible because in Presidential Decree No. 39 of 2014, a typical Balinese drink, in this case arak, was included in the negative investment list. However, with a strong penetration, the Bali Provincial Government was finally able to realize legal protection for arak artisans on the Island of the Gods. Not a single region in Indonesia out of 34 provinces has been able to penetrate this. The main charge of the Bali Provincial Government is to promote Balinese culture to make Bali respectable. Because if managed properly, will provide tremendous benefits. As is the case with Balinese wine, because there are many farmers or craftsmen involved in its production.

Apart from the facts in the community that show the key role of arak and tuak drinks in the social and cultural life of the Balinese people, several studies of the drink sales system do indicate that this legalization will benefit the local community. The production of wine and palm wine in Bali developed as part of Hindu civilization. Tuak is a drink whose water is tapped from coconuts or palm trees. The freshly tapped palm wine is sweet and non-alcoholic. When allowed to stand, the palm wine will ferment and contain alcohol. Arak comes from distilled palm wine. The alcohol content varies up to 40%, depending on the length of the distillation process. Tuak and wine are an important part in the implementation of the Bhuta Yadnya religious ceremony, which is a ceremony that aims to maintain the balance of nature so as not to interfere with human activities. In each of these ceremonies there is an activity of spilling wine and palm wine simultaneously onto the ground called *metetabuh*. This ceremony can be done on a small scale and on a large scale. On a small scale, the ceremony is held in the residents' yards whenever deemed necessary, while on a large scale, the Bhuta Yadnya ceremony is held the day before Nyepi Day at major intersections in each district capital in Bali.

Arak also has a social function, namely building togetherness and strengthening kinship bonds in society. Arak is often used as a symbol of the beginning of the relationship between *besan*. When the two families of the bride and groom meet, the father of the bride and groom toasts and drinks wine together to mark the family in question as close relatives. In addition, a number of villages in Bali do have a tradition of drinking arak and tuak which is held in conjunction with the implementation of religious ceremonies in the family, clan, or village environment. For example, the community tradition of drinking arak accompanies the *metatah* (tooth cutting) and wedding ceremonies in Karangasem Regency, Bali. The local government has so far legalized the use of arak for religious ceremonies. What is not allowed is for commercial purposes. However, with the new regulations, the use of arak for commercial

purposes is allowed by involving local partners in the form of cooperatives. This is important considering that the illegal marketing of arak is currently detrimental to small farmers.

A number of studies show that wine producers generally live in poor agricultural areas. They are mostly farmers who cultivate coconut and palm trees which are used as raw materials for palm wine and arak. The farmers are located in the Merita Village area in Karangasem Regency and Bondalem Village in Buleleng Regency. Research in 2015 showed that the income of arak maker in Bondalem Village was only IDR 1.25 million per month. In this study, it is described that a producer is only able to produce 5 liters of wine per day. If one month is equal to 30 days, then the production of arak in one producer is 150 liters per month. If averaged, then the farmers get a wine price of Rp. 9,000 per liter. Even though the market price can reach Rp. 70,000 per liter. Farmers get low prices from arak collectors who always set the lowest possible price on the grounds that they have to sell it on the black market and have to mess with law enforcement. Through the new regulation, farmers are expected to have higher bargaining power to get a fair price for their beverage products.

Based on the above background, researchers are interested in conducting research on "Implementation and Impact of the Implementation of Bali Governor Regulation Number 1 of 2020 concerning Governance of Balinese Fermented Drinks and/or Distillation (Case Study for Arak Craftsmen in Bali Province)".

Policy Implementation Theory

According to Mazmanian and Sabatier in Subarsono (2015:94-99), there are three groups of variables that affect the success of implementation, namely: (1) the characteristics of the problem (tractability of the problems); (2) Characteristics of statutory policies (ability of statute to structure implementation); (3) Environmental variables (nonstatutory variables affecting implementation).

The characteristic of the problem is the level of technical difficulty of the problem in question. Therefore, the nature of the problem itself will affect whether or not a program is easy to implement. The level of diversity of the target group. This means that a program will be relatively easy to implement if the target group is homogeneous. On the other hand, if the target group is heterogeneous, program implementation will be relatively more difficult, because the level of understanding of each member of the target group on the program is relatively different. The proportion of the target group to the total population. A program will be relatively difficult to implement if the target covers the entire population. On the other hand, a program is relatively easy to implement if the number of target groups is not too large. The scope of the expected behavior change. A program that aims to provide knowledge or is cognitive will be relatively easy to implement than a program that aims to change people's attitudes and behavior.

The policy characteristics of this Law mean that the clearer and more detailed the content of a policy will be, the easier it will be to implement because it is easier for implementers to understand and translate it into concrete actions. On the other hand, the ambiguity of policy content is a potential for distortion in policy implementation. How far the policy has theoretical support. Policies that have a theoretical basis have a more stable character because they have been tested, although for certain social environments there needs to be modifications. The size of the allocation of financial resources to the policy. Financial resources are a crucial factor for any social program. Each program also requires staff support to do administrative and technical work, and monitor the program, all of which cost money. How big is the linkage and support between various implementing institutions?

Program failures are often caused by a lack of vertical and horizontal coordination between agencies involved in program implementation. Clarity and consistency of existing rules in the implementing agency. The level of commitment of the apparatus to policy objectives. How

broad is the access of outside groups to participate in policy implementation. A program that provides broad opportunities for the community to be involved will receive relatively little support than a program that does not involve the community.

The policy environment, among others, shows the socio-economic conditions of the community and the level of technological progress. People who are open and educated will be relatively easy to accept reform programs compared to people who are still closed and traditional. Likewise, technological advances will help in the process of successful program implementation, because the program can be socialized and implemented with the help of modern technology. Public support for a policy that provides incentives is usually easy to get public support. Attitudes of constituency groups. Voter groups in the community can influence policy implementation in various ways, including voter groups can intervene in decisions made by implementing agencies through various comments with a view to changing decisions.

Governor of Bali Regulation Number 1 of 2020 concerning Governance of Balinese Fermented Drinks and/or Distilled Drinks

The Governor of Bali, Wayan Koster, has again issued a pro-people policy based on local wisdom in the form of a Governor's Regulation that regulates the Governance of Balinese Fermented Drinks and/or Distillation. This Governor Regulation has been approved by the Ministry of Home Affairs, which was promulgated on January 29, 2020. This Pergub consists of IX Chapters and 19 Articles. The scope of the Governor's Regulation includes protection, maintenance, and utilization; business partnership; promotion and Branding; guidance and supervision; community participation; administrative sanctions; and funding. This regulation is issued to protect, maintain, develop, and utilize Balinese fermented and/or distilled beverages including Balinese Tuak, Balinese Brem, Balinese Arak, Artisanal Products, and Balinese Brem/Arak for Religious Ceremonies. Mainly in supporting sustainable economic empowerment based on culture in accordance with the vision of Nangun Sat Kerthi Loka Bali.

This Governor Regulation aims to utilize Balinese fermented and/or distilled beverages as an economic resource to improve the welfare of Balinese manners. In addition, strengthening and empowering artisans of raw materials for Balinese fermented and/or distilled beverages. Realizing the management of raw materials, production, distribution, control and supervision of Balinese fermented and/or distilled beverages. Establish production standardization to ensure the safety and legality of Balinese fermented and/or distilled beverage products, as well as protect the public from food that does not meet quality and safety requirements.

2 Research Methods

The method used in this study is a qualitative research method with a descriptive approach. The focus of the research is on the implementation and impact of Bali Governor's Regulation No. 1 of 2020 concerning Governance of Balinese Fermented and/or Distilled Drinks where the object is arak craftsmen who are also part of the resource persons in this study. The informants in this study were 10 people, including: the Provincial Government of Bali in this case the Governor of Bali, Head of the Bali Province Industry and Trade Service, Balinese Arak Craftsmen with a total of 4 people (Karangasem Regency, Tri Eka Buana Village, Tabanan in Basangbe Marga Village, Buleleng in Les Village, Tejakula and in Jembrana in Pergung Village, Bali Tourism Actors with a total of 4. Data collection methods were carried out by observation, documentation and interviews.

3 Results and Discussion

3.1 Implementation of the Implementation of the Bali Governor Regulation No. 1 of 2020

Based on the results of interviews with the Provincial Government of Bali through the Governor of Bali that the background for the issuance of this regulation is the existence of complaints from several arak craftsmen who complain that they are not safe in producing arak, besides that this regulation is one of the implementations of the vision of Nangun Sat Kerthi Loka Bali which One of the priorities in this vision is the development of Balinese food. Where in terms of food, Bali Province has so many unique potentials such as tuak, berem and arak which are traditional Balinese drinks. The natural products in the area should be used by the community for their daily livelihoods.

One of the efforts that the government has made to communicate this regulation is through socialization, officially announcing the enactment of this governor's regulation and inviting arak craftsmen from all over Bali. With this gubernatorial regulation, it is hoped that craftsmen will feel safe and comfortable in producing so that it will generate an area for expansion of their business, and from an economic point of view, the value will increase, and more people will engage in the business of arak craftsmen. Because it is one of the people's economies whose perpetrators are individuals, in this case the government through the Cooperative Service facilitates the formation of cooperatives for arak craftsmen.

So that the cooperative can become a center for the distribution of tuak and arak and is easier to monitor. After forming a cooperative, the government will be able to facilitate with the help of KUR (people's business credit) business capital which is expected to assist in the management and marketing of arak so that it can become a source of livelihood that can improve people's welfare. However, in terms of arak craftsmen, based on the results of interviews with several arak craftsmen in Karangasem Regency, they still do not know about this Pergub, this shows that the socialization of this Pergub must be carried out thoroughly by involving the Regency Government and local village officials.

3.2 Impact of the Implementation of Bali Governor Regulation No. 1 of 2020

Based on the results of interviews with several arak craftsmen in Bali, said that the business as a wine craftsman is a hereditary tradition that must be preserved and the process of making wine has its own uniqueness. Regarding the impact of this regulation, it has not been felt significantly because this regulation is still ambiguous, and its implementation has not been maximized. The existence of a pandemic like today, as well as the uneven distribution in every area that has cooperatives that are able to accommodate the production of arak from farmers, causes farmers to still sell their arak in stalls or private individuals, so the distribution process expected by the governor has not been implemented.

In addition, the regulations made only cover the arak farmers/craftsmen who used to sell arak in secret but are now safe. Existing government regulations do allow the sale of the arak through cooperatives but the price and profit itself will be determined by the cooperative itself, but it would be better if farmers sell it themselves so that the price and profit can be felt by themselves, so that the significant impact is still not felt.

4 Conclusion

The implementation of the Bali Governor's Regulation Number 1 of 2020 concerning Governance for Balinese Fermented and/or Distilled Drinks has been carried out well, with the aim of protecting the arak artisans in Bali. This is in line with the vision of the Bali Provincial Government, namely Nangun Sat Kerthi Loka Bali which aims to protect and maintain traditions that have been passed down from generation to generation. However, from the socialization of the Gubernatorial Regulation, it is still felt that it is not running effectively, considering that there are still many wine craftsmen who do not know about this Pergub. Regarding the impact felt for arak craftsmen, it is still not significant, it's just that arak craftsmen who used to sell arak illegally can now legally distribute their wine to cooperatives, but the distribution of cooperatives is still not evenly distributed in every area where the community is.

The suggestion that can be submitted by researchers is that the Bali Provincial Government in collaboration with the Regional Government, especially areas where many people are wine craftsmen, such as Karangasem, Buleleng, Tabanan, Jembrana and Klungkung Regencies carry out more socialization related to Bali Governor Regulation Number 1 of 2020. In addition, the Provincial Government of Bali through the Department of Industry and Trade and the Department of Cooperatives, so that cooperatives can get excise stamps under government supervision so that standards and quality are really maintained. In addition, it is also hoped that they will not be too dependent on the company but allow the cooperative to operate independently while still being under government supervision and facilitated by the BPOM so that the content of the arak is investigated related to whether it is suitable for consumption or not.

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