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ANALYSIS OF BUSINESS UNIT DEVELOPMENT STRATEGY OF PT. PEMBANGUNAN ACEH (PEMA)

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Abstract

Improving the economy and investment in Aceh province must be adjusted to the potential and social structure. Investments that are in line with the social structure and economic capacity of the local community can sustain Aceh's economic growth. The investment development process must be responded to quickly by the government, which has legal authority to implement various types of programs. One strategy to reduce Aceh's poverty rate is to maximize Aceh-Owned Enterprises (Badan Usaha Milik Aceh - BUMA), a business holding company with the Aceh government owning the majority (100%) of its capital and shares. The holding company named PT. Pembangunan Aceh (PEMA) aims to improve development, the economy, and Aceh's locally generated revenue. For this reason, a potential business analysis strategy is needed to be developed by PEMA in compliance with Aceh Qanun No. 5 of 2019 concerning Capital Participation of the Aceh Government in Aceh-Owned Enterprises (BUMA) and the format or scheme of capital participation or business scheme that is feasible to develop company profit and the sustainability of PEMA for the future. This study uses a qualitative method with a descriptive phenomenological approach through in-depth interviews and observations of informants on the PEMA business unit development strategy, namely commissioners and directors, academics, and the Aceh Investment Promotion Agency and One Stop Services. The Business Model Canvas (BMC) model and SWOT analysis are used in the data analysis process. This study found that the PEMA agro-industry sector business unit model has great potential to be developed with the building of a biodiesel factory. Additionally, this business unit empowers the welfare of Acehnese oil palm farmers.

Keyword: PEMA, Business Unit, SWOT Analysis, BMC, Investment, Aceh

INTRODUCTION

Improving the economy and investment in Aceh province must be adjusted to the potential and social structure. Investments that are in line with the social structure and economic capacity of the local community can sustain Aceh's economic growth. Aceh's strategic geographical location must be optimized, including establishing connectivity. One strategy to boost Aceh province's economy and social welfare is to bridge or facilitate investment. The investment must be adjusted to the potential of local resources and the social structure of the Acehnese people who implement sharia economics. As an illustration, according to data from the Central Statistics Agency, 14.23 percent of Acehnese citizens lived in poverty as of March 2024. As of February 2024, the open unemployment rate was 4.82 percent. In contrast, Aceh's economy was 4.54 percent in the second quarter of 2024 when oil and gas were taken into consideration[1]. Vice President Ma'ruf Amin said the Central Government supports regional economic

[1] Akses dari https://aceh.bps.go.id/id/news/2024/08/05/209/ekonomi-aceh-triwulan-ii-2024-tumbuh-4-54-persen.html, (26/10)

development and offers investment opportunities to strengthen regional economies[2]. It is anticipated that investment in Aceh will lead to a variety of economic activities and opportunities for employment. In order to lower unemployment and poverty rates, regional income must be increased. There is a mutual relationship between economic growth and efforts to reduce poverty and unemployment rates.

The investment development process must be responded to quickly by the government, which has legal authority to implement various types of programs. One strategy to reduce Aceh's poverty rate is to maximize Aceh-Owned Enterprises (Badan Usaha Milik Aceh - BUMA), a business holding company with the Aceh government owning the majority (100%) of its capital and shares. The holding company named PT. Pembangunan Aceh (PEMA) aims to improve development, the economy, and Aceh's locally generated revenue. PEMA, which has a vision of "becoming an anchor for business development and investment in sustainable resources," is expected to provide benefits or income contributions to increase Aceh's regional income, which can benefit the Acehnese people.

Therefore, strategies are required in business development under the direction of PT. Pembangunan Aceh (PEMA). Identifying business opportunities or business units in the market that are beneficial for business sustainability and achieving financial and commercial independence are the goals, policies, plans, processes, and activities of a business development strategy. Therefore, it is necessary to analyze business strategies and business models that aim to grow the business sustainably, and the company keeps assessing its business plan. Furthermore, business strategy analysis is an important step in designing a viable business model that will have a long-term impact on the sustainability of the company and business life.

As a holding company, PT. Pembangunan Aceh (PEMA), a regionally owned enterprise of Aceh (BUMD/BUMA), sincerely manages several business units operating in several industries, such as Pema Energi, Pema Industri, Pema Trading, and Pema Properti. PEMA, whose shares are 100% owned by the Aceh Government, is a regional business that aims to enhance growth, the economy, and Aceh's Regional Original Revenue (Pendapatan Asli Daerah - PAA). Prior to the enactment of Aceh Qanun Number 6 of 2017 concerning Changes in the Legal Form of the Aceh Regional Development Company to the Aceh Development Limited Liability Company, PEMA had the legal entity of the Aceh Regional Development Company (PDPA). However, since then, PEMA has changed its name to PT Pemerintah Aceh (PEMA), which has the legal entity of a Limited Liability Company[3].

PEMA management needs a plan for creating possible business units in order to achieve the objectives of the main shareholder, the Aceh government. To ascertain which business units have the potential to grow and provide consistent profits, PEMA management must conduct a thorough examination of business unit development (Hamdani, 2022). PEMA has primary tasks in various business sectors such as oil and gas or mining, cattle, fisheries and transportation, agro-industry, real estate, trade, and services. According to its business size, PEMA operates in three business sectors related to the mining and oil and gas industries: developing and implementing renewable energy, supporting services for these industries, and Participating Interest (PI).

Other important business segments under the property, trade, and services sector are the industrial area business segment, building management, labor provider services, contractors (developers), and Special Economic Zones (KEK). Additionally, these four business sectors are expected by PEMA to be able to support the welfare of Acehnese citizens and the advancement of the Acehnese economy.

[2] Akses dari https://www.kompas.id/baca/english/2023/09/07/en-dongkrak-perekonomian-investasi-di-aceh-mesti-disesuaikan-potensi-dan-tatanan-sosial, (26/10)

[3] Akses dari https://peraturan.bpk.go.id/Details/72958/qanun-prov-nad-no-16-tahun-2017, (27/10)

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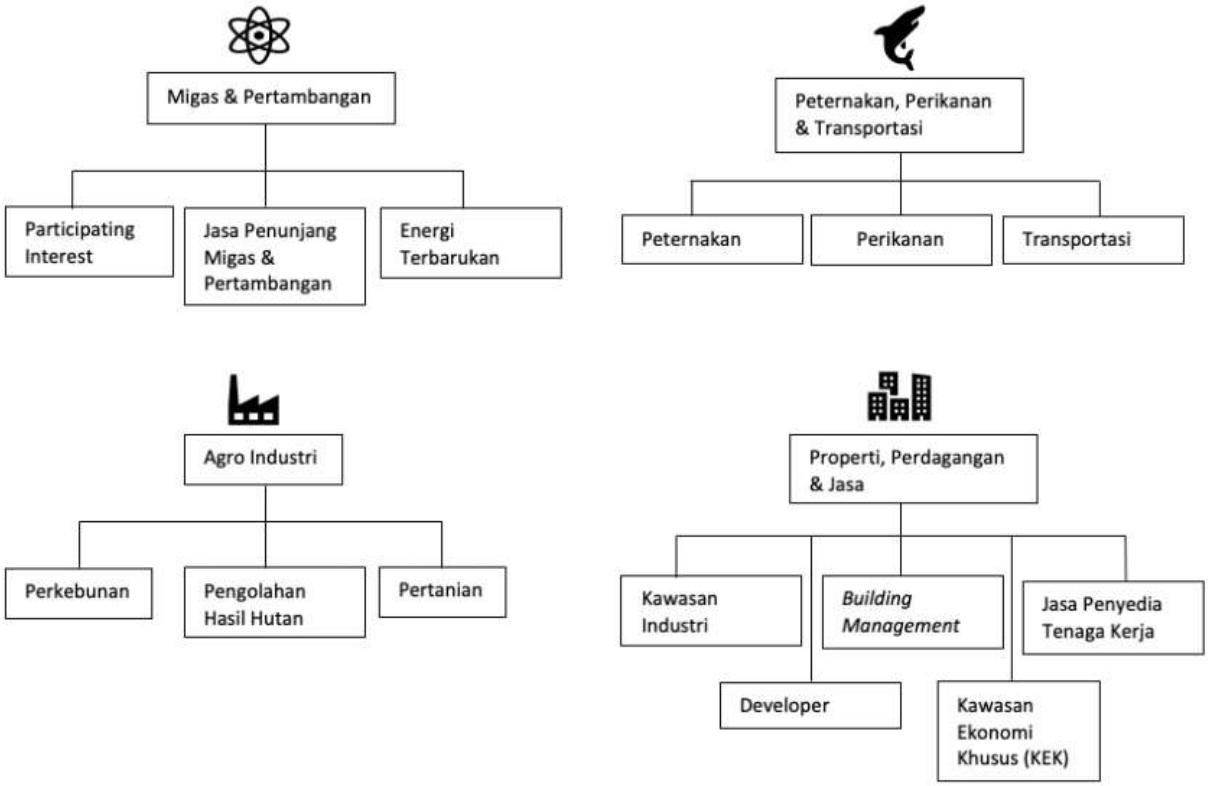
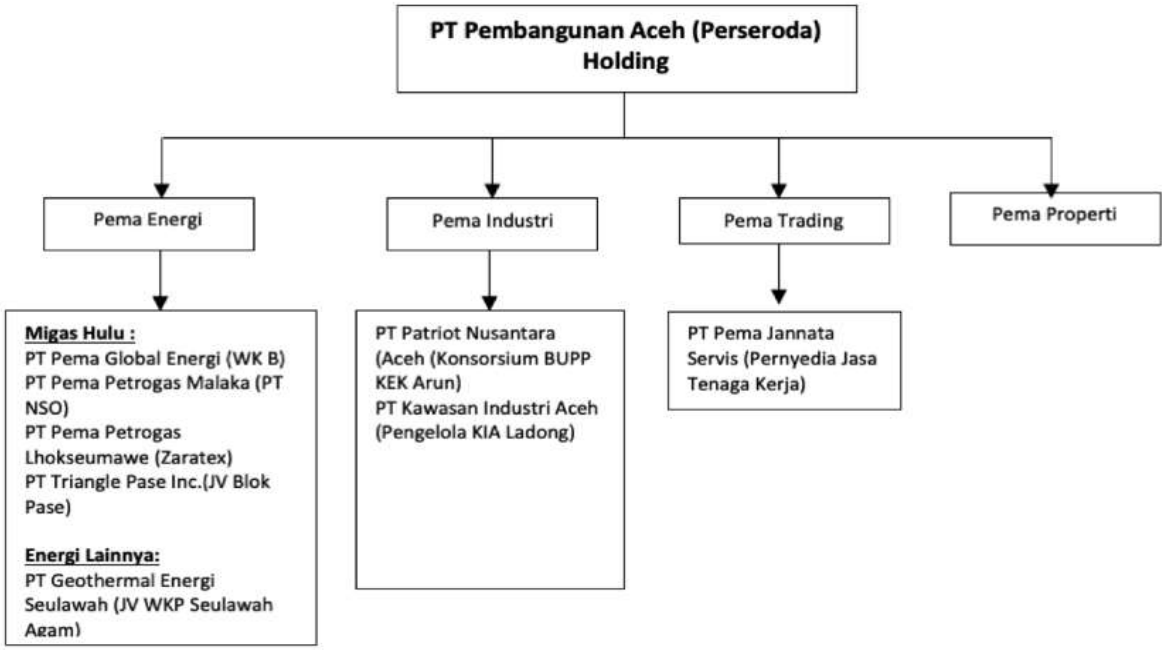
Figure 1: Business Field Structure of PT. Pemerintah Aceh (PEMA)



Sources: https://ptpema.co.id/

The PEMA Energy Sector is one of the business sectors of PT. Pembangunan Aceh (PEMA). Its business units include the Upstream Oil and Gas sector, which is managed by PT. Pema Global Energi (PGE) for the Block B Working Area, PT. Pema Petrogas Malaka (PPM) for the Participating Interest (PI) NSO, PT. Petrogas Lhokseumawe for PI Zaratex, and PT Trianggle Pase Inc. as a Joint Venture (JV) company for the Pase Block. In the renewable energy sector, PEMA also established its subsidiary PT. Geothermal Energi Seulawah in managing the joint venture for the Seulawah Agam Business Work Area (WKP). Furthermore, in the PEMA Industry sector, PEMA established two subsidiaries named PT Patriot Nusantara Aceh (PATNA) and PT Kawasan Industri Aceh (KIA). PATNA is a consortium company of the Management and Development Agency *(Badan Pengelolaan dan Pembangunan - BUPP)* of the Arun Lhokseumawe Special Economic Zone, while PT. KIA manages the development of the Aceh Ladong Industrial Area. The company PT. Pema Jannata Servis, which provides labor services, was created in the trade sector under the auspices of PT. PEMA Trading. Additionally, PEMA founded PT. Pema Properti in the property sector, which as of right now lacks a business unit.

Fifure 2: Business Sectors PT. Pembangunan Aceh (PEMA) Holding



Sources: https://ptpema.co.id/

PEMA must establish priorities for business development among the four (4) business sectors, specifically through an academic study that evaluates the potential of business units that are worth developing and the potential for development that aligns with market availability. The development of PEMA business units includes a number of initiatives aimed at enhancing community well-being, strengthening the local economy, and optimizing Aceh's available resources. In this study, the energy and natural resources sector—specifically, the management and development of Aceh's natural resources, including natural gas and oil, as well as renewable energy sources like solar and geothermal—are among the primary focuses in the development of PEMA business units that merit discussion and analysis. Also collaboration with other stakeholders, including domestic and foreign investors, to maximize the economy's use of natural resources and generate revenue for Acehnese regional businesses.

A business unit development plan is a method that the company has created to expand its operations, boost profitability, and achieve its long-term goals. This strategy is based on a number of internal and external factors that encourage businesses to expand or innovate within their business units, such as market and expansion opportunities, technological innovation, economic and environmental conditions, consumer competitiveness and change, internal and strategic diversification and risk, the need for innovation and competitiveness, global (market) impact, and concern or adjustment to the environment and society.

This business development strategy's background highlights the need for the company to adjust to changes in its internal and external environment as well as its desire to grow and prosper in the long term. This strategy should be implemented carefully considering the company's vision and mission, as well as by balancing the strengths, weaknesses, opportunities, and threats that are encountered by the business (Ariyanti, 2024). Based on the problem statement, this study aims to analyze the strategies that are frequently used in conjunction with their applications to develop the business units that are present at PT. Pembangunan Aceh (PEMA).

LITERATURE REVIEW

Strategic Management

Strategic Management is the process of formulating, implementing, and evaluating decisions that enable an organization to achieve its long-term goals. It involves various stages ranging from external and internal environmental analysis, establishing a vision and mission, to developing strategies and implementing action plans. In addition, there are several definitions of strategic management developed by management experts; according to (Wahyudi, 2019), strategic management can be interpreted as planning something that will be done and working on a plan that has been formulated. This is a common practice that is necessary to achieve results that fulfill expectations and desires. However, the strategy itself is a means of advancing and developing an institution to be able to compete superiorly from its competitors. In addition, superior and reliable strategies are produced by professional managers in planning and implementing the plan as well as possible so that it has implications for the institution's success in terms of human resources, infrastructure, and other areas. In strategic management, there are several steps that should be taken to achieve the intended goals in a company or institution, namely:

1. Environmental analysis, namely understanding external factors that can affect environmental conditions, for example market conditions, competition, and technological changes, as well as internal factors such as resources, capabilities, and weaknesses of the organization.
2. Determination of vision and mission, namely to determine the long-term direction of the organization through accomplishments that outline the ultimate objective and missions (objectives) that explain the company's or organization's motivations and core values.
3. Formulation strategy, which is to develop a strategy based on the results of environmental analysis and the determination of the vision and mission. This strategy can include market expansion, product diversification, or increasing operational efficiency.
4. Implementation strategy, which is to apply the methods that have been formulated by establishing an action plan, allocating resources, and ensuring that the organization is ready to carry out the plan.
5. Evaluation and control, which is to measure performance to ensure that the implemented strategy is effective and in accordance with the objectives set, and requires strategies and actions that can be adjusted or changed.

Strategic management is an advantage for organizations because it enables them to adapt to environmental changes, optimize resources, and ensure long-term sustainability and growth.

Business Strategy

A business strategy is a plan or method designed by a company to achieve competitive advantage in the market, meet customer needs, and accomplish organizational objectives. This strategy involves decisions and actions that affect all aspects of business operations, from the products and services offered to the markets served, the goods and services provided, and the way the business competes with competitors. Business strategy is important for directing the company's goals to achieve superior performance (Ida Farida, 2022). Business strategy focuses on improving the competitive position of a company's products and services in a particular industry or market segment served by the company through competitive positioning, the company's products can improve their performance, to achieve excellent results. A stronger business strategy can also assist companies in creating new ideas, opening up opportunities to penetrate the market, and conducting experiments, even though they are hazardous, so that they can become market leaders by implementing their long-term strategies and goals (Ida Farida, 2022). Business strategy is different from corporate-level strategy. At the business level, this approach is

mainly concerned with enhancing the competitiveness of the business's products in a particular market segment.

A good business strategy can enhance organizational performance through the implementation of the company's business processes. In firms that implement a prospector strategy, more emphasis is placed on product innovation and market effectiveness. The firm focuses on product research to develop innovative products. Businesses that concentrate on a prospector approach will keep striving to become a leading industry or pioneer. The manager's plan has an impact on the performance of the firms. The determination of strategic policies impacted by the firms will affect its performance (Ida Farida, 2022). The firm decides on a prospector business strategy in order to attain good performance. The firm's capabilities must be handled in accordance with set strategies and information systems in order to accomplish one of its objectives. This is useful for maintaining and developing the sustainability of the firm's competitive advantage. The firm with different strategies has different functional capability development processes. Businesses classified as prospectors prioritize innovation by taking market effectiveness into account. Businesses that prioritize innovation and constantly aim to lead will put forth more effort than competitors (Ida Farida, 2022).

Research Gap

This study uses an approach to combine several theories and results from previous studies that also seek alternative strategies to develop business units or businesses in regional companies or regionally owned enterprises. Research on the topic of *"pengembangan strategi bisnis dengan analisis SWOT pada pabrik kripik singkong Sumenep"* (Firmansyah, 2023), revealed that increasing product innovation to increase sales profits, reaching a wider audience for products, and trying again to make the product more sophisticated and well-known are all important. However, in this study the analysis method used was only SWOT to study the development of business units and did not use other methods such as Business Canva Model (BCM), Business process modeling and MOST Analysis (Mission, Objective, Strategy and Tactics). Therefore, in order to fill the research gap, the researcher combined or added analysis methods using SWOT analysis and BCM and designed a business unit scheme that had the potential to be developed by PT Pembangunan Aceh (PEMA).

Furthermore, a study conducted by (Hendrik, 2014) entitled *"Analysis of Business Development Strategy at PT. Pelabuhan Indonesia IV (Persero) Biak Branch"* found that the use of SWOT analysis can increase market share, HR quality, relationships with partners, infrastructure capacity, and the implementation of computerized accounting systems, in addition to the need for increased socialization and promotion and the use of modern information technology. Nevertheless, a gap was found in the study; it was not explained how the business prospects were for the short and long term, as well as did not combine the SWOT and BCM analysis methods. Therefore, in our study, the combination of SWOT and BCM analysis methods is needed to determine strategic planning that assist the company (PT Pembangunan Aceh) in analyzing current conditions and preparing future steps for the development of business units. This study's use of the BCM analysis approach assists in business development by outlining several crucial components of a business model and assisting PT Pembangunan Aceh (PEMA) in comprehending and developing business strategies in a more structured and effective manner.

Research on the development of business units of Aceh Government-Owned Enterprises (BUMA) has a number of gaps that can be used as the focus of further research. Nonetheless, within the framework of this study, researchers identify a research gap that could be filled: the lack of studies concentrating on the development of sustainable and innovative business models for BUMD in Aceh, particularly those that can compete in the era of globalization and the digital economy. In order to assist BUMD compete in both domestic and foreign markets, researchers have the option to design a business model that makes use of digital technology, innovative products, or new services. Thus, according to researchers, the development of a business unit for an investment model for building a biodiesel factory is a business innovation that

might develop and advance in the future. In addition, the development of human resources (HR), support for local policies and regulations, collaboration and partnership strategies and evaluation of financial performance and social impact are interesting topics to be developed in further research.

RESEARCH METHODOLOGY

Design and Type of Research

This study shows that qualitative research requires researchers to understand social reality, namely viewing the world according to reality and not vice versa. Qualitative research must be conducted by people to open the researcher's insight (Asyraini et all, (2022); Jibril et all, (2022); Pandiangan (2018). In this qualitative research, it describes and analyzes the phenomenon of the potential development of PT. Pembangunan Aceh (PEMA) business units and also attempts to design a possible investment concept for PEMA business units. The research was conducted in a natural environment through observation by taking locations in Banda Aceh and North Aceh (Aceh Utara). The choice of PT. Pembangunan Aceh (PEMA) as the research subject is based on the fact that PEMA has unique regulations as a unique Acehnese region in the business sector, with all of its business capital coming from the Acehnese government, and which allows this institution to develop rapidly.

Data Collection Sources and Techniques

The interview method using in-depth interview techniques was used to obtain data for this study. In addition, researchers in this study did not participate directly in the subject of social life for the long term, or more commonly referred to as non-ethnographic research (Afrizal, 2015). In addition to conducting in-depth interviews, researchers also used focus group discussions (FGDs) to gather data. This approach was used to get detailed and comprehensive information from specialists in order to get a general idea of the solutions to the issues under study. Informants as research subjects in FGD were selected by purposive sampling, namely randomly selected according to the needs of researchers to obtain accurate information and answers (Afrizal, 2015), including directors and managers at PT. Pembangunan Aceh (PEMA), investors, academics, and the Aceh Investment Promotion Agency and One Stop Services.

Data Analysis Method

In this study, to examine the data using the business model canvas analysis technique. According to Osterwalder & Pigneur (2013), in the business model canvas there are nine building blocks that explain the importance of customer benefits and create value. The business model canvas section consists of value propositions, channels, customer relationships, customer segments, key resources, revenue streams, cost structures, key activities, and key partnerships. The Business Model Canvas (BMC) has the advantage of making it easier and helping to describe the company's condition comprehensively (Sains, J., & Seni Its, 2017). Identifying the company's internal and external elements and implementing a business development strategy by creating a new business model based on the outcomes of a SWOT analysis are the following steps after mapping into nine blocks (Rangkuti, 2017).

RESULTS AND DISCUSSION

Renewable Energy Business Investment Concept

The concept of investing in a renewable energy company in Aceh is to utilize the region's enormous natural resource potential in a sustainable and eco-friendly manner. The development of renewable energy in Aceh may be a calculated move to promote energy security, provide employment, and boost the local economy in light of growing energy demands and climate change awareness. Here are some ideas for investing in renewable energy businesses in Aceh:

Tabel 1: Business Investment Concept in Renewable Energy PT. PEMA

Geothermal Power Plant	
Potential	Aceh Province has abundant geothermal resources, particularly in areas such as Sabang and Seulawah Agam. According to the Geothermal Potential book, Aceh has a geothermal potential of 1,357 megawatt equivalents (MWe). The potential consists of resource potential and reserve potential.
Business Concept	Investment in the development of large-scale geothermal power plants (PLTP), with a business model based on public-private partnerships (PPP).
Opportunities	Geothermal energy is a comparatively steady and sustainable resource, a dependable, reliable renewable energy option.
Challenges	Permitting and supporting infrastructure are major challenges, particularly for accessing areas far from the city center.
Hydroelectric Power Plant	
Potential	The large rivers spread across Aceh, such as Krueng Aceh and Alas, have the potential to be developed into large-scale hydroelectric power plants and microhydro for rural areas that assist communities with additional electricity supply.
Business Concept	Development of hydroelectric power stations using a build-operate-transfer (BOT) model or in collaboration with BUMD. Additionally, communities around rivers and those in isolated locations not served by the state energy company can benefit from microhydro investments by receiving electricity.
Opportunities	The use of hydro energy can make a significant contribution to increasing access to electricity in remote areas or isolate location in Aceh.
Challenges	In this challenges, the potential for conflict in land acquisition and environmental impacts on river ecosystems and potential flooding requires a dialogue approach with communities around river ecosystems.
Solar PV Power Plant	
Potential	The potential of the Aceh region has a fairly high intensity of sunlight throughout the year, which is an ideal opportunity for the development of solar energy.
Business Concept	Construction of solar farms on large areas or rooftop solar on the roofs of residences and government buildings. In addition, investors can provide a leasing model or PPA (Power Purchase Agreement) system to facilitate the adoption of solar energy.
Opportunities	Solar PV can be used to support the electricity grid in areas that are difficult to reach by the state electricity company.
Challenges	High initial installation costs and dependence on weather are major challenges, although increasing government incentives can reduce these barriers
Wind Power Plant (Bayu)	
Potential	The coastal areas of Aceh have strong enough winds to drive wind turbines, particularly in the south-west, which includes Aceh Jaya, West Aceh, South Aceh, South West Aceh, and Simeulu Island; in the northeast, such as Pidie, Pidie Jaya, Pidie Jaya, Bireun, North Aceh, and East Aceh.

Business Concept	Investment in small to medium-scale wind turbines through the construction of wind farms on open ground or along the shore.
Opportunities	Can complement solar energy, particularly in coastal areas where wind has stable wind potential throughout the year.
Challenges	Thorough technical feasibility studies are required to guarantee ideal placements and address the challenges of managing turbines in corrosion-prone coastal environments.
Biomass and Biogas Energy	
Potential	Aceh has abundant agricultural and plantation products, such as palm oil, rubber, and coffee, which produce organic waste. This waste can be processed into biomass or biogas.
Business Concept	Development of biomass or biodiesel factories to produce electricity or fuel pellets. In addition, organic waste from livestock can also be processed into biogas as an alternative fuel.
Opportunities	Biomass can help reduce agricultural and plantation waste, as well as produce energy. In addition, biogas can also be used to supply energy to households.
Challenges	Infrastructure to collect and process waste may require additional investment, as well as challenges in maintaining this technology.

Sumber: Author

Researchers suggest the following investment strategies:

a. Partnership and cooperation, namely by collaborating with the Aceh government or Aceh-Owned Enterprises (BUMA) to obtain incentives and facilitate licensing, while cooperation with local communities is also important to ensure project sustainability and security.
b. Innovative financing schemes, namely by using schemes such as the issuance of green bonds or green Sukuk or utilizing philanthropic funds (green waqf) to finance renewable energy projects.
c. Building supporting infrastructure and technology, namely by building supporting infrastructure, such as road access to the power plant location, factory construction, and the application of smart grid technology to maximize the efficiency of energy distribution.
d. Education and training of local communities (project areas), namely by providing training to communities around the project location or local residents in the operation and maintenance of energy plants, which can increase local involvement and create new jobs.

In addition, the Aceh government provides assistance in implementing the investment strategy, such as tax incentive relief; in this instance, the government offers tax relief for investors entering the renewable energy industry. The Aceh government can contribute to reaching the national renewable energy mix target of 23% by 2025 by streamlining rules and licensing in an attempt to streamline licensing for renewable energy projects and the existence of a national energy mix objective. The concept of investing in renewable energy in Aceh promotes the sustainable use of regional resources, including biomass, geothermal, hydro, solar, and wind. Through a collaborative strategy between the government, investors, and the community, this investment has the potential to significantly boost regional economic growth, provide jobs, and help mitigate the challenges of climate change by switching from fossil fuels to renewable energy.

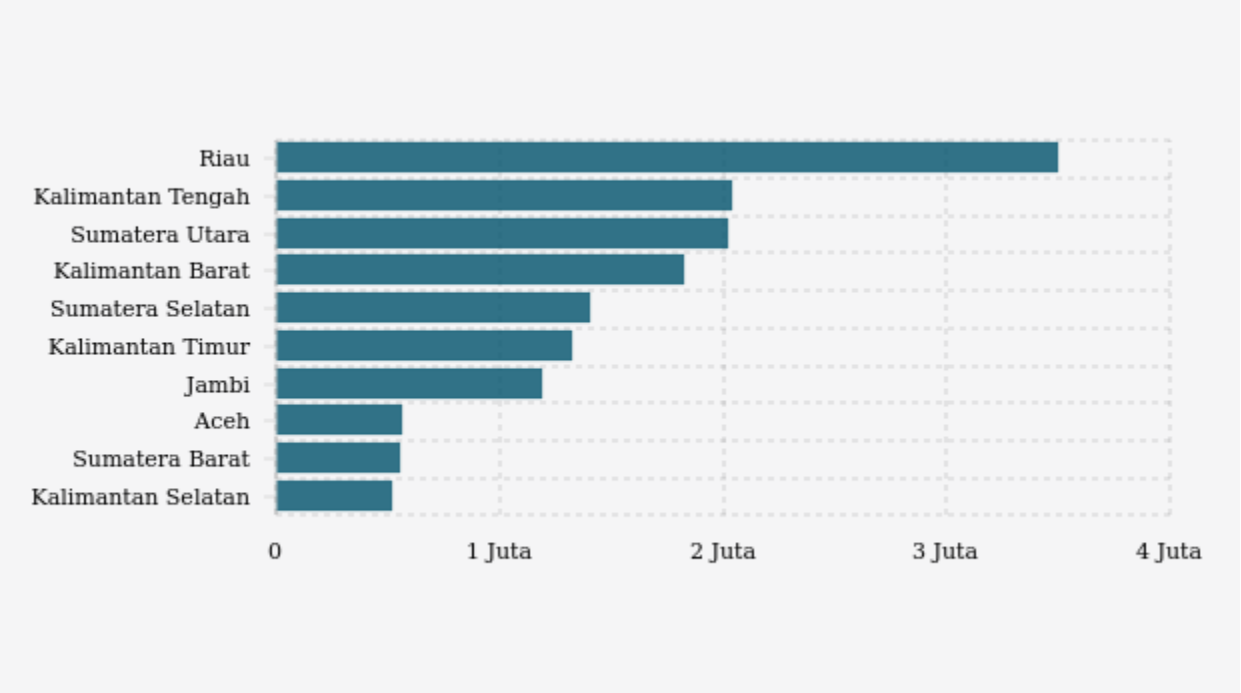
Business Unit Development Concept for Biodiesel Plant Development

Establishing a biodiesel factory in Aceh might be a strategic step in developing the renewable energy industry, reducing reliance on fossil fuels, and creating new business prospects. Investment opportunities in Aceh in the Palm Oil Agribusiness sector can provide positive benefits to increase Aceh's

Original Income (PAA) and led to new innovations for businesses in the development of the palm oil industry, particularly the production of palm oil, also known as crude palm oil (CPO), a type of raw material used to make biodiesel fuel. The utilization of CPO processing into Biodiesel has been proven to provide added economic value to support the benefits of investing in this sector.

An important national commodity, palm oil is used in the food, energy, and international trade sectors. The demand for palm oil (CPO) is increased by Indonesia's commitment to immediately eliminate its reliance on fossil fuels by utilizing new renewable energy (EBT), one of which is promoting the production of biodiesel. This is done by increasing the mixture of CPO with biodiesel, which is now targeted to be B40 (40 CPO and 60 Solar). This opportunity must be realized by the Aceh-Owned Enterprise (BUMA) PT PEMA by developing the building of CPO and biodiesel factories because the demand for biodiesel will expand in the future to accommodate the availability of fuel supplies for industry and automobiles.

Figure 3: 0 Provinces with the Largest Palm Oil Plantations in 2023



Source: https://databoks.katadata.co.id/

The largest oil palm plantation in Indonesia is located in the province of Riau. Its 3.49 million hectares make up about 20.75% of all the country's oil palm plantations this year. In the second place is central Kalimantan, which has 2.03 million hectares of oil palm plantations. Followed by North Sumatra, which covers an area of 2.01 million hectares. In terms of the total area of oil palm plantations, Aceh Province ranks eighth (8th), with 565 thousand hectares (ha).

Aceh has thousands of hectares of oil palm plantations, but only 20 palm oil factory (PKS) exist; there is still a shortage of PKS, and despite the 1,010,000 tons of palm oil produced annually in 2023, there is still a shortage of PKS. Additionally, Aceh province does not currently have palm oil processing plants (CPO) that can produce biodiesel. This presents an opportunity for PEMA, a regional holding company in Aceh, to concentrate on investments in the agribusiness sector. In addition to the lack of a CPO biodiesel manufacturing facility, there are plenty of raw materials available from all across Aceh, offering investment chances in this area both feasible and lucrative.

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PT Pembangunan Aceh (PEMA) through its subsidiary PT Patriot Nusantara Aceh (Patna) as the Development and Management Business Entity (BUPP) of the Arun Lhokseumawe Special Economic Zone with the study we conducted with the utilization of investment, namely the potential to build a CPO Palm Oil factory into Biodiesel. Through partnerships with Arun Special Economic Zone enterprises or groups, including PT. Pertamina (Persero), PT. Pelabuhan Indonesia 1 (Persero), PT. Pupuk Iskandar Muda, and the state-owned enterprise PT. Perkebunan Nusantara III. In addition, the demand for biodiesel is rising annually, particularly since Indonesia is the first and largest country in the world to mix 30% biodiesel with diesel fuel for all diesel fuel users. Future biodiesel usage is expected to increase in the direction of B40 or will increase again. The energy transition towards Net Zero Emission with advanced fuel, the development of B40, D100, and Bioavtur, the enhancement of facilities and infrastructure, red and white catalysts, the development of palm oil for gasoline (IVO, Bensa, and G100), which is developed in conjunction with BBG, and electric vehicles are the challenges facing biodiesel in the future.

In order to take advantage of the chance to construct a palm oil (CPO) factory that will eventually produce biodiesel, PEMA, through its subsidiary PT. PATNA, must act quickly in response to the investment opportunities listed above. This includes conducting a field survey immediately and conducting a more thorough academic study along with the formulation of a business plan. Therefore, from the results of the analysis and discussion above by collecting data through brainstorming techniques, interviews, and Focus Group Discussions (FGD), the materials or data needed to map the concept of developing a business unit of PT Pembangunan Aceh (PEMA) by building a potential biodiesel factory in collaboration with PEMA with companies or consortiums of the Arun Special Economic Zone, such as PT. Pertamina (Persero), PT. Pelabuhan Indonesia 1 (Persero), PT. Pupuk Iskandar Muda, and the government company PT. Perkebunan Nusantara III, into a mapping of nine building blocks. After developing a business development plan using a SWOT analysis approach, the next stage is to determine the company's internal and external elements and implement the strategy by creating a new business unit scheme.

Table 2: SWOT Matrix of Biodiesel Plant Development Business Unit Model

IFAS / EFAS	***Strenghts (S)***	***Weaknesess (W)***
	1. Abundant sources of raw materials 2. Potential domestic and export markets 3. Supportive government policies 4. Increasing regional economic value 5. Increasing availability of infrastructure 6. Potential for implementing green technology	1. Dependence on commodity prices 2. Limitations on certain infrastructure 3. Sustainability of raw materials 4. High investment costs 5. Limited skilled labor 6. Potential for social conflict 7. Limited local market 8. Factory layout is not yet fully available
Oportunities (O)	***Strategi S-O***	***Strategi W-O***
1. Renewable Energy Policy 2. Broad market segmentation, both local and overseas 3. Easier access to raw material sources 4. Export market potential	1. Expanding the marketing network outside the region and between countries 2. Providing added value or sustainable returns to investors in order to create	1. Establish cooperation with Bioful service expedition companies such as Biofuel Express, DB Schenke and others 2. Build a sales system with

5. Diversification of regional economy 6. Support from investors and financial institutions 7. Reducing emissions and environmental impacts 8. Development of downstream industries 9. Absorption of local labor 10. Improvement of local infrastructure 11. Partnership with local communities, farmer groups or NGOs	added value for the company 3. Increasing production capacity to avoid delays in supply 4. Ensuring the availability of raw material stock for smooth production 5. Promoting Biodiesel through mass media, events and conferences	PERTAMINA and foreign companies and based on social media 3. Cooperate with government companies (BUMN) to increase business capital and networking 4. Establish cooperation with the Bioful entrepreneur association, namely APROBI (Indonesian Biofuel Producers Association)
Treathts (T) 1. Competition with similar businesses 2. The existence of standard prices from the government 3. Importing rice from abroad 4. Unpredictable natural conditions 5. High transportation costs	***Strategi S-T*** 1. Setting a price level that is affordable for consumers 2. Creating good quality Biodiesel products to be able to compete with other companies' products and imported products 3. Adjusting productivity to the harvest period of Fresh Fruit Bunches (FFB) of Oil Palm	***Strategi W-T*** 1. Develop a delivery or distribution system for production results/goods so that they are well integrated 2. Innovate standardized and certified Bioful derivative products 3. Conduct continuous re-checking of the factory management system

Source: Author

BMC Analysis for Biodiesel Plant Business Unit Development

Development of a biodiesel factory in Aceh requires a deep understanding of local conditions, natural resources, and regulatory support. Using the Business Model Canvas (BMC), analyze the key elements that support the success of this business unit. Following data processing and in-depth interviews conducted through focus group discussions (FGDs), information was gathered to map the potential for creating a biodiesel plant business unit in Aceh province's Arun Special Economic Zone (KEK) using nine business model canvas (BMC) blocks. The nine building blocks we provide for PT Pembangunan Aceh's (PEMA) development of the Biodiesel Plant business unit through collaborations or partnerships with various government companies (BUMN) and local businesses are described in the table below:

Table 3: Development of PEMA Biodiesel Plant Business Unit Model

Key Patner	***Key Activities***	***Value Preposition***	***Costumer Relationship***	***Costumer Segment***
• Local and national governments • Palm oil companies in Aceh • Research institutions and universities in	• Biodiesel Production • Research and development • Logistics processing and shipping • Partnership with raw material	• Local renewable energy sources • Empowerment of local economy • Support for sustainability • Waste reduction • Regulatory	• Long-term relationships with government and industry • Education and consulting • After-sales support	• Micro-enterprises, fisheries, agriculture, transportation and public services (PSO) • Non-PSO

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Aceh and nationally • Financial institutions • National fuel distributors, and • Investors	suppliers	compliance • Guaranteed product quality • Production process using modern technology • Patents	• Associations • On-time delivery	(Public Service Obligation) transportation • Power generation • Industry and commerce • Local and national transportation industry • Palm oil companies in Aceh • Local and national government agencies • Acehnese and national communities • Export markets
	Key Resources • Land and production facilities in Aceh • Local raw material sources • Production technology • Skilled labor • Regulatory support		***Channels*** • Direct distribution to local companies • Partnerships with local governments and other regions • Sales through fuel distributor networks • Digital marketing and environmental awareness campaigns	
Cost structure • Factory construction costs			***Revenue Stream*** • Biodiesel sales	

• Raw material costs • Operational costs • Distribution and logistics costs • Research and development	• By-product sales • Incentives and subsidies • Exports

Source: Author

The researcher developed a business unit model utilizing Nine Building Blocks after gathering and evaluating the business unit development plan for the building of a biodiesel factory using the SWOT matrix approach. As seen in Table 3, the Business Canvas Model (BMC) makes it simpler to map and draw conclusions when creating a business unit model for the building of a biodiesel factory. The establishment of a business unit model that PT Pembangunan Aceh (PEMA) can implement at the biodiesel factory through collaboration or partnerships with various government companies (BUMN) and local companies is one of the *key partners (main partnerships)*. In order to develop the biodiesel factory business unit, PEMA must work with the local government, particularly the Aceh government, as well as the national government to ensure the project's success. In addition, it is necessary to strengthen cooperation with palm oil companies in Aceh as providers of the main raw materials (CPO) and also partners in the application of biodiesel for their internal operations. Universities and research centers in Aceh, including Syiah Kuala University and UIN Ar-Raniry, are additional key partners for the study and development of more effective biodiesel manufacturing technology. In order to obtain funding for the factory's construction and operation through loans or investment partnerships, financial institutions are also essential partners in the development of this business unit. The national fuel distributor is the last main partner in the BMC analysis, namely to distribute biodiesel through the existing fuel distribution network.

Key activities are the next component in the PEMA business unit's development for the building of a biodiesel plant. Biodiesel production allows for the realization of the primary production process from palm oil and other vegetable oil raw materials, as well as research and development to create more environmentally friendly and efficient biodiesel production technology. Furthermore, other main activities are logistics and distribution management to organize the supply chain from raw materials to distribution of final products to customers. The last main activity in the establishment of the PEMA business unit for the construction of a biodiesel plant is forming a partnership with raw material suppliers, specifically to ensure a steady supply of raw materials from Aceh's agriculture and palm oil industry. Furthermore, for *the value propositions* element, local renewable energy sources such as biodiesel can be produced from abundant raw materials in Aceh, particularly from the palm oil industry. Empowering the local economy is also a value proposition in developing a biodiesel plant that will create new jobs in the energy and manufacturing sectors. Support for sustainability makes biodiesel able to reduce carbon emissions and help overcome dependence on fossil fuels.

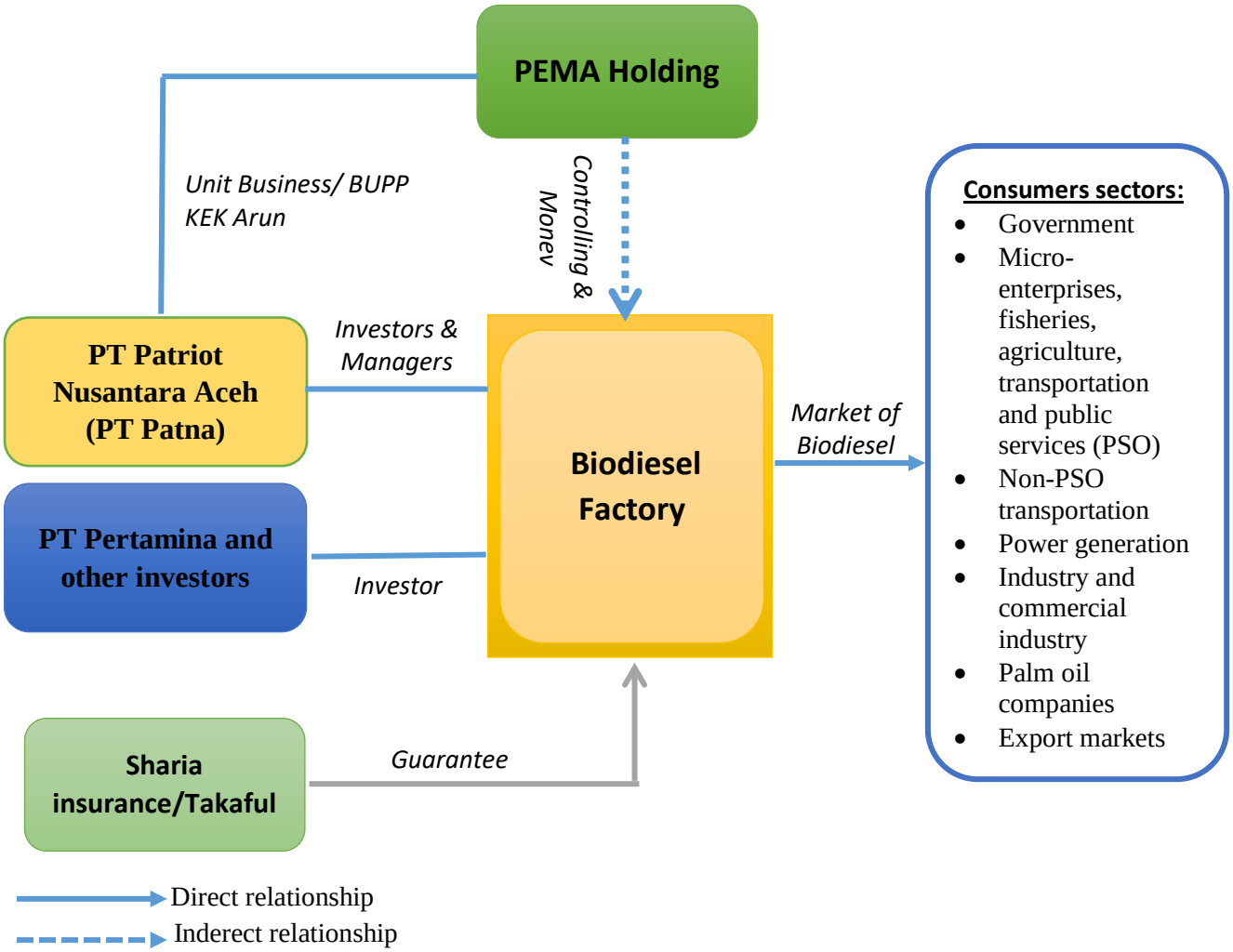
Additionally, the final value propositions in this category assist national initiatives such as the Indonesian government's B30 program by reducing waste, namely by using waste palm oil and other vegetable oils as raw materials for biodiesel and adhering to regulations. *Costumer relationships* are a further element in the development of PEMA's business unit in the construction of a biodiesel plant, namely building partnerships through large-scale biodiesel procurement contracts and also providing education to companies and consumers about the benefits of biodiesel, particularly in the context of reducing carbon emissions and providing customer service related to the use of biodiesel, including technical consultation. In *the Customer Segments* element, the PEMA business unit must target the micro, small, and medium enterprises, fisheries, agriculture, transportation, and public services (PSO) sectors, non-PSO transportation, national power plants such as PLN, industry, and commerce. Additionally, the transportation sector, both domestically and nationally, is the primary consumer of biodiesel as an alternative fuel. Palm oil companies in Aceh are important customers as suppliers of raw materials (crude palm oil/CPO) and also as users of biodiesel for internal operations. Regional and national government

agencies are also potential customers, where the government has a mandatory biodiesel program such as B30, which supports the use of renewable fuels. The people of Aceh and Indonesia are individual users who care about the environment, particularly vehicle owners who are starting to switch to environmentally friendly fuels. The next customer segment is the export market, namely countries that are switching to renewable energy, especially in Asia and Europe.

Furthermore, other elements included in the BMC analysis for the development of PEMA business units in the construction of biodiesel factories are *key resources*, namely the selection of strategic locations to build factories with access to palm oil raw materials, because Aceh has great potential in terms of the availability of CPO from palm oil plantations that can be used for biodiesel production. Additionally, biodiesel can be produced from a variety of raw materials using production technology, including effective machinery and technological infrastructure. In addition, the availability of skilled workers by prioritizing local and regional workers who are able to operate factories and support business operations. Finally, key regulatory support resources: extremely important in order for regional and national government policies that encourage the development of renewable energy. The next step in the PEMA business unit's development for the construction of a biodiesel plant is *channels*, specifically direct distribution to local companies such as transportation, industrial, and palm oil firms. Additionally, partnerships with local governments are part of the renewable energy policy at the provincial and national levels. Accessing a wider market through existing fuel distribution channels is also an important channel in addition to building an environmentally friendly image and promoting biodiesel among individual users. Furthermore, *cost structure* is also an important element in this BMC analysis, such as the cost of building a factory, because the investment in building a biodiesel factory is enormous. Others, the cost of raw materials for purchasing palm oil and other vegetable materials needed for production. Operational costs are important factors in the development of this business unit, such as labor costs, electricity, maintenance, and factory operations. Distribution and logistics costs, such as product transportation to customers both domestically and abroad, as well as research and development expenses for technological advancements and increased manufacturing efficiency.

The revenue stream, derived from the sale of biodiesel—the primary product offered to industry, the government, and private consumers—is the final component in the BMC analysis of the biodiesel plant development business unit. Sources of sales of by-products, such as glycerin produced during the biodiesel production process, which can be sold to other industries. Incentives and subsidies are also other sources of income from government incentive benefits for renewable fuel programs and sources from exports, generating income through the sale of biodiesel to the international market. The construction of a biodiesel plant in Aceh offers great potential given the availability of raw materials, regulatory support, and renewable energy programs driven by the government. According to the Business Model Canvas (BMC) analysis, this highlights the importance of strategic partnerships with palm oil companies, government, and research institutions, as well as the need for investment in infrastructure and technology to maximize biodiesel production and distribution.

Figure 5: PEMA Biodiesel Factory Development Investment Scheme



Source: Author

The following explanation applies to the investment flow image for the building of a biodiesel factory by the PT. Pembangunan Aceh business unit, namely PT Patriot Nusantara Aceh:

1. PT Pembangunan Aceh (PEMA) which is an Aceh-Owned Enterprise (BUMA) through its subsidiary initiates/makes an investment in the agro-industry sector, namely by building a biodiesel factory.
2. A subsidiary/business unit of the PEMA company named PT Patriot Nusantara Aceh (PATNA) which is a Development and Management Business Entity (BUPP) for the Arun Lhokseumawe Special Economic Zone (KEK), Aceh province invests capital for the construction of a biodiesel factory as well as managing the operational management of the factory
3. PT Patriot Nusantara Aceh (PATNA) collaborates with PT Pertamina and other investors for additional capital in the construction of a biodiesel factory as well as in terms of operations and production with a profit-sharing pattern.
4. The land for the construction of the biodiesel factory is located in the Arun Lhokseumawe Special Economic Zone area managed by PATNA with the option of use rights or lease from PT Pertmina.
5. PT Pertamina and other investors annually receive profit sharing or profit sharing or loss sharing (if loss) for every sale and marketing of biodiesel from PATNA
6. The profit loss sharing (PLS) percentage agreement between PATNA and PT Pertamina and other investors is read out at the beginning with a written agreement witnessed by the Aceh government (Aceh governor), commissioners and directors of PT Pembangunan Aceh (PEMA) at a notary
7. PATNA as the manager must insure the biodiesel factory in sharia insurance as a guarantee against various risks.
8. PEMA Holding acts as a supervisor, monitor and evaluator of PATNA's performance in building and managing the biodiesel factory

CONCLUSION AND RECOMMENDATION

Conclusion

In this chapter, the researcher briefly summarizes the results of this study and recommendations for bostering further research. The study's findings indicate that PT Patriot Nusantara Aceh (PT Patna), a business unit of PT Pembangunan Aceh, started or invested in business development with the development of constructing a biodiesel factory, which is planned to be the first biodiesel factory in Aceh province. The initiative is a component of PT Pembangunan Aceh's business growth, which will be implemented in the Arun Lhokseumawe Special Economic Zone (KEK), a potential future investment development area. From the finding of the SWOT matrix analysis, it was concluded that by utilizing strengths such as abundant raw material sources, potential domestic and export markets, supportive government policies, increasing regional economic value, increasing infrastructure availability, and the potential for implementing green technology, investment in the construction of a biodiesel factory in Aceh is a profitable investment in terms of economy and environment, while supporting energy independence and regional growth.

The weaknesses and challenges from the SWOT analysis results, such as dependence on commodity prices, limitations on certain infrastructure, issues of raw material sustainability, high investment costs, limited skilled labor, potential social conflict, limited local markets, and factory layouts that are not yet fully available, can be resolved by implementing a comprehensive plan that includes improving infrastructure, fostering collaborations with local people and the government, and enhancing plantation sustainability in order to foster an environment that is more conducive for investment. Furthermore, the construction of a biodiesel plant in Aceh offers great potential considering the availability of raw materials, regulatory support, and renewable energy programs driven by the government. With the Business Model Canvas (BMC) analysis approach, it is concluded that the

importance of strategic partnerships with palm oil companies, the government, and research institutions, as well as the need for investment in infrastructure and technology to maximize biodiesel production and distribution.

Recommendation

The results of this study must be included in the study related to the development of PT Pembangunan Aceh's business unit in the construction of a biodiesel factory. The recommendations from this study that must be considered by PT Pembangunan Aceh (PEMA) are as follows:

1. PT Pembangunan Aceh (PEMA) is exclusively involved in the development of a business unit as a supervisor, monitor, regulator, and assessor.
2. Every time PT Pembangunan Aceh (PEMA) conducts investment development activities in any sector, it must collaborate with the Aceh government, as an provided all of the initial funds.
3. Every time it develops an investment, PT Pembangunan Aceh (PEMA), through its business subsidiary, PT Patriot Nusantara Aceh (PT Patna), needs to conduct a thorough investigation, analysis, and deliberation.
4. Researchers recommend an investment business model in the real sector to support the economy of rural communities. One such model is the construction of a biodiesel or biofuel factory and palm oil warehouse receipts. This is because the benefits and objectives can be directly felt by palm oil farmers, who can use their harvests to improve their welfare, improve plantation management, and stabilize the price of crude palm oil (CPO).
5. In order to guarantee the supply of palm oil for the efficient operation of the biodiesel factory production process, the business unit growth model by investing in a biodiesel factory can also be synergized with cooperation with cooperatives managing palm oil land or farmer groups.
6. One of PT Pembangunan Aceh's (PEMA) initiatives or options to reduce the unemployment rate in rural areas, as well as in the North Aceh and Lhokseumawe regions, is the establishment of a business unit investment model in a biodiesel factory. Many workers are employed by the biodiesel factory operations.

Another potential that we recommend for the development of PT Pembangunan Aceh (PEMA) business units is sharia financing for the development of MSMEs in Aceh and the empowerment of rice farmers in rural areas by seeking a format or mechanism for cooperation.

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