

COLLABORATION BETWEEN ACADEMICS AND LOCAL GOVERNMENTS IN PREPARING POLICIES TO Ease Doing Business for MSMEs IN THE RIAU ISLANDS

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Abstract

One constraint for business micro small And medium enterprises (SMEs) in start And develop business is lack of convenience effort given government in various form its policies . Ease try start from availability information related opportunity business , HR training , fiscal incentives in form loan cost cheap until related marketing the product . In Effort For push development of MSMEs in the Province Riau Islands Academics University Batam (Uniba) and Government Province Riau Islands via Service Investment and Service Integrated One The door (DPMPTSP) makes an agenda for formulate convenience business that can given all OPDs against MSME actors . Results identification convenience business That will made into material for Provincial Government Riau Islands For make Design Regional Regulations that can give convenience to public Riau Islands in MSME sector . Regulation required Government Province Riau Islands can brave And No doubtful in give convenience try MSME actors according to his authority . Service Investment and Service Integrated One Door (DPMPTSP Together with the Academic Team Uniba do visit to a number of office Department / Agency Government at the level province For collect empirical data , and activities that have been they do during This in developing MSMEs. There is around 114 thousand more MSMEs in Kepri.They face a number of challenges , including is expensive logistics And infrastructure . As region islands , MSMEs face uncertainty transportation sea , infrastructure minimal ports , as well as expensive fare send , which increases cost operational . In addition that , they face competition with product outside a larger country cheap , especially through e-commerce, threatening sustainability product local . Capital issues and access financing Also become obstacles . Many MSMEs have difficulty get formal financing because limitations guarantee .

Keywords : Convenience Business , MSMEs

1. INTRODUCTION

Province Riau Islands which is the area that bordering direct with Singapore and Malaysia as destination investment has show good performance . Climate investment in the Province Riau Islands Already proven with the existence of 3 (three) areas Economy Special (KEK) , namely the Galang KEK Batang , Nongsa Digital Park Special Economic Zone and Batam Special Economic Zone Aerotechnic . Then added There is three Area Trading Free or Free Trade Zone (FTZ) which includes Batam , Bintan And Karimun . However development investment scale big in the Riau Islands still Not yet followed with improvement local businesses coming in in MSME scale . Even though MSMEs have role strategic in development economy national , good as absorber power Work and contributor growth economy people's potential (Hidayat et al ., 2022; Kustanto , 2022). big Province Riau Islands which is located at Choke Point shipping international , and pocket planting global capital has not yet impact significant the birth of MSMEs for transform become business scale big . Challenge The main MSMEs in the Riau Islands (Kepri) include height cost logistics And infrastructure suboptimal ports , competition strict from product outside country , and limited access capital And digital literacy . Conditions geographical archipelago Also make things difficult distribution , increase risk damage goods , and squeeze profit margins perpetrator business . In Effort For push development of MSMEs in the Province Riau Islands various policy has done . Umbrella law the main underlying giving convenience try for MSMEs at the level national is Constitution Number 20 of 2008 concerning Micro , Small and Medium Enterprises Intermediate , which then strengthened through Constitution Number 11 of 2020 concerning Creation Work as well as Regulation Government Number 7 of 2021 concerning Convenience , Protection , and

Empowerment Cooperative and Micro , Small, and Medium Enterprises Intermediate (Republic of Indonesia, 2008, 2020, 2021). One of the important agendas supporting activities development of MSMEs by DPMPTSP is make something Design Regional Regulations that can give convenience try as well as give incentive to public MSME actors in the Riau Islands . For support giving convenience try that , then need done identification type convenience What And from which OPD only one can given to MSME actors . For that's it need done various meeting For discuss convenience business for this MSME .

2. IMPLEMENTATION METHOD

To identify the authority and types of business facilities that can be provided by the Regional Government for MSMEs such as NIB permits, halal certificates, SNI, halal certification facilities, legal assistance, priority procurement of government goods/services, and easy access to financing such as KUR to improve the class of MSMEs, a Descriptive Approach is carried out which aims to describe, record, and interpret conditions, phenomena, or objects systematically, factually, and accurately as they are without variable manipulation. This approach focuses on the answer to "what" an event is happening in the present. Service Investment and Service Integrated One Provincial (DPMPTSP) Gate Riau Islands collaborate with the Academic Team Uniba started 2023 to last year 2025 push formation Design Regional Regulation (RANPERDA) concerning Giving Convenience try for MSMEs in the Province Riau Islands with identify type convenience through authority in several related OPDs .

Between the office visited is Service Industry And Trade (DISPERINDAG), Department Tourism , Department Transportation , Department Cooperative and SMEs, Department Power Work And Transmigration , Department Work General And Arrangement Space (PUPR), Department Marine And Fisheries (DKP), Department Energy Source Mineral Resources (ESDM), Department Environment Life And Forestry (DLHK), Department Investment and Services Integrated One Door (Dpmptsp) , . Service Investment and Services Integrated One Gate (Dpmptsp) Batam City and BP Batam . Based on results visit to a number of Department / Agency Government said , then obtained a number of idea as well as inputs furthermore will accommodated in sebah recommendations that become material consideration , so that the results planned activities reach target in developing MSMEs in the Province Riau islands .

3. RESULTS AND DISCUSSION

Based on the results of the study and review of theoretical and empirical approaches conducted by the Uniba Collaboration Team with the DPMPTSP Kepri, many types of facilities were identified. Broadly speaking, they consist of incentives and ease of doing business. Provisions regarding the form of these incentives refer to Government Regulation Number 24 of 2019 concerning the Provision of Incentives and Investment Facilitation in the Regions, which provides the legal basis for regional governments to provide incentives and/or investment facilities to the community and/or investors within their authority (Republic of Indonesia, 2019). The provision of incentives can take the form of: reduction, relief or exemption from regional taxes; then reduction, relief or exemption from regional levies , as Also arranged in Regulation Government Number 10 of 2021 concerning Regional Taxes and Regional Retribution in Frame Support Convenience Try And Regional Services (Republic of Indonesia, 2021) ; and provision of capital assistance to micro, small, and/or cooperative businesses in the region; facilitation assistance for research and development for micro, small, and/or cooperative businesses in the region; assistance with vocational training facilities for micro, small, and/or cooperative businesses in the region; and/or low loan interest for micro, small, and/or cooperative businesses.

Table 3.1.
Giving Incentive for MSMEs

No	Type Giving Incentive	Explanation
A	Giving help capital to micro, small and/or cooperative businesses in area	Giving help capital to business micro, small, cooperative in the area done through LPDP help capital funds rolling Which aimed at cooperatives in the area fulfil condition Which has set.
B	Help For research And development For business micro small and/or cooperative in area Help facility training vocational business micro, small and/or cooperative in area	The Cooperatives & SMEs Service provides help service law in the form of mentoring law And facilitation law to MSMEs The Cooperatives & SMEs Service also give help facility training between other : 1. Center Service Business Integrated (PLUD) 2. Guidance Technical Digitalization 3. Curation And Licensing
C	Flower loan area	Service Cooperative And SMEs provide capital assistance financing with flower 0% to Public through Bank Riau Riau Islands Which Already walk during 2 (two) year, started since year 2021 until moment This as much as 755 business MSMEs Which Already accept it For Time Which will come Service Cooperative & SMEs will socialize program For condition loan as much as Rp 20 million down without use guarantee, Where loan the payment initially can done after 4 (four) months walk

Meanwhile, the provision of Ease of Doing Business for MSMEs is in the form of: provision of data and information on investment opportunities; provision of facilities and infrastructure; facilitation of land or location provision; provision of technical assistance; simplification and acceleration of licensing through one-stop integrated services; ease of access to marketing of production results; ease of direct investment in construction; ease of investment in strategic areas stipulated in laws and regulations that have the potential for regional development; provision of comfort and security in investing in the Region; ease of certification and standardization processes in accordance with the provisions of laws and regulations; ease of access to ready-to-use and skilled labor; ease of access to raw material supplies; and/or promotion facilitation in accordance with regional authority. Forms convenience This in line with Spirit Regulation Government Number 7 of 2021 which mandates government center And area For give convenience, protection, and empowerment for cooperative and MSMEs through coaching And giving facilities (Republic of Indonesia, 2021).

Table 3.2
Giving Convenience Try for MSMEs

No	Type Giving Convenience Investment	Explanation
A	Provision means And infrastructure	1. The Cooperatives & SMEs Service provides help means selling in the form of cart which is grant 2. Service Cooperative & SMEs Also has prepare as many sales tents as possible 30 sets to use with the system borrow use
B	Facility provision land or location Giving help technical	1. Means licensing And facility certification halal 2. Management Certificate Cooperative in a way free 3. Service Cooperative will pay cost certification to Notary Public for the community in management certificate 4. Service Cooperative & SMEs will provide assistance mentoring cooperative as much as 19 person And mentoring MSMEs as many as 9 person
C	Simplification And acceleration granting of permits through services integrated one door	There are 16 licensing sectors that are authority of the cooperative and SME service province
D	Convenience access marketing results production	1. There is PLUT in 3 location, between other Bintan, Batam (UPTD) and Anambas in charge of promotion, and mentoring as well as marketing results production 2. The Cooperatives & SMEs Service held Digitalization Training in collaboration with Shopee And Bank Indonesia (BI) related curation product (1 year period produces 4 times product)
E	Convenience investment in area strategic Which set in regulation legislation Which potential on development area	1. There is 13 condition in provision of facilities invest. 2. Tata method in give incentives and conveniences invest 3. Base Law giving incentive convenience investment is PP Number 24 of 2019, Law Number 23 2014 4. Convenience investment on Area industry certain like 32 in Batam, 2 in Bintan, 1 in Karimun, as well as Can Also on Area Economy Special And Area <i>Free Trade Zone</i>
F	Giving comfort And security invest in area	Service Cooperative & SMEs in Effort For give flavor safe And comfortable to Public has do a number of activity, between other :

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		1. Do mentoring MSMEs For Digitalization : MBIZ, Market Place, etc. 2. Prepare member team service And complaint as well as service information
G	Convenience process certification And standardization in accordance with provision regulation legislation	1. Service Cooperative And SMEs do Training Competence companion MSMEs And Cooperative 2. Halal Certification and Industrial Safety (BPJPH at the Center) 3. Service Cooperative Also give incentive with a target of Rp. 1 (One) million rupiah For perpetrator business
H	Convenience access supply material standard, and/or	1. In matter convenience accessraw material supply, Cooperative Service & SMEs have collaborated with party outside like Province Java West in the field of convection. 2. The Cooperatives & SMEs Service carries out <i>business Matching</i> as many as 2until 3 times in a year.
I	Facilitate promotions in accordance with authority area	In Matter promotion, Service Cooperative stage exhibitions , <i>UMKM Week</i> , DJPB

3.3 Image And Photo





4. CONCLUSION

Based on the activities that have been carried out, it can be concluded that the Regional Government of the Riau Islands Province requires a Regional Regulation governing the Provision of Business Facilities for MSMEs in the Riau Islands Province. This policy is intended to promote MSMEs to a higher level. MSME upgrading is the process of raising the level of micro, small, and medium enterprises to a higher level, characterized by increased production capacity, turnover, management, licensing, and expanded market access, including export potential and digitalization (Ika et al., 2022). The MSME acceleration program is class This Also in line with direction policy national that encourages integration ecosystem financing for MSMEs to be able to go on class And oriented export (Ministry of Coordinator Field Indonesian Economy, 2023). Policy This is not just about increasing income, but also about transforming management from traditional to modern, more productive, and sustainable. Providing suggestions for further community empowerment.

THANK-YOU NOTE

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