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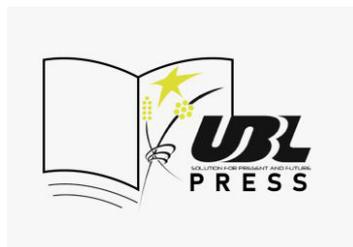
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Anggalana | Yodhi Yuniarthe | Suta Ramadan | Agit Yogi Subandi
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Perpustakaan Nasional RI:
Katalog Dalam Terbitan (KDT)

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PRAKATA

Puji Syukur penulis panjatkan kehadirat Allah SWT, Karena dengan rahmat, karunia, serta taufik dan hidayah-Nya dapat menyelesaikan monograf berjudul **“Telaah UMKM dari Aspek Hukum, Ekonomi, dan Teknologi”** dapat diselesaikan. Buku ini merupakan sumbangan fikiran dari multi disiplin yaitu Ilmu Hukum, Ekonomi dan Komputer, yang dimaksudkan untuk memenuhi salah satu Tri Darma perguruan Tinggi yaitu penelitian dosen, dalam bentuk buku monograf yang disusun berdasarkan hasil pengamatan, wawancara, diskusi, dan keterlibatan langsung dari pihak-pihak terkait.

Pada kesempatan kali ini penulis ingin mengucapkan terima kasih kepada rekan-rekan semua yang telah memberikan sumbangsih dan pemikirannya sehingga karya ini dapat dipersembahkan kepada semua pembaca. Penulis juga sangat berharap dapat memberikan karya lainnya yang secara nyata dan berkesinambungan. Semoga tulisan ini dapat memberikan manfaat, menambah pemahaman, dan menginspirasi pihak-pihak yang berkepentingan.

Bandar Lampung, 15 September 2021

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INSTITUTIONAL AGRIBUSINESS BUILDING MODEL OF SABURAI GOAT IN TANGGAMUS DISTRICT

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ABSTRACT

Saburai goat agribusiness potential in Tanggamus has a very important role in encouraging community welfare especially goat farmers. The existence of government and stakeholders is crucial to determine the success of Saburai goat agribusiness development . For that, research is needed to see the potential and resources to support relevant institutions and build the institutional model of Saburai goatsagribusiness. The design of this study uses soft system methodology (SSM)approach with Interpretative Structural Modeling (ISM) and Causal Loop Diagram (CLD) as the analysis tools. The result of this study is that the increase of farmers is an important factor in developing the Saburai goat agribusiness in Tanggamus. This can be achieved by increasing the investment of Saburai goats which is supported by the technologies to achieve the availability of fodder. Providing training is also needed to improve farmers' knowledge on how to raise Saburai goats.Institutional agribusiness model of Saburai goat consists of five levels, the first level is Saburai Livestock Group and Research Center, the second level is Tanggamus Animal Husbandry Department and Animal Health, the third level is the Tanggamus cooperatives and SMEs Department, the fourth level is the Food Crops and Horticultural District, and the fifth level is the collectors/agents and investors.

Institutions elements that involved in the development of Saburai goat agribusiness in Tanggamus showed that the key factors are the Saburai Livestock Group and Research Institute and directly helping to develop agri-livestock of Saburai goats in Tanggamus.

Keywords: Model of Institutional Agribusiness, Saburai Goat, Soft Systems Methodology, Interpretative Structural Modeling, Causal Loop Diagram

INTRODUCTION

Tanggamus district is the fourth largest district in Lampung Province, which has the potential of Saburai goat agribusiness that became one of the featured livestock nationwide groups. The potential of agribusiness in Tanggamus especially Saburai goats has a very important role in fostering the welfare of society, especially the goat farmers. Not only supported by abundant feed resources, the existence of public, private, and institutions will determine the success of the government's program to boost agribusiness and Saburai goat development. So that research is needed to see the potential and support among relevant institutions and stakeholders and build an Institutional agribusiness model of Saburai goat in the Tanggamus district.

STUDY METHODOLOGY

This research uses Soft Systems Methodology (SSM), because this study is an interdepartmental integration through a whole understanding, so we need a new framework known as the systems approach. The affected institutions and factors in improving Saburai goat agribusiness in Tanggamus will be obtained with the Soft Systems Methodology (SSM).

This study uses qualitative analysis with first analysis tool which is Interpretative Structural Modeling (ISM). Interpretive Structural Modeling (ISM) was first proposed by J. Warfield in 1973 to analyze a complex socio-economic system. ISM is a computer-assisted learning process that allows individuals or groups to develop a map of a complex relationship between the various

elements involved in a complex situation. The basic idea is to use an experienced expert and practical knowledge to decipher a complicated system into several sub-systems (elements) and construct a multi-level structural model. ISM is often used to provide a basic understanding of complex situations and to draw up action to solve the problem (Gorvett and Liu, 2007).

ISM is an analysis tool and decision support that facilitates understanding of complex situations by linking and organizing ideas in a visual map. The process of building an ISM also develops knowledge of the subject matter through discussion and analysis. Working knowledge combined with understanding of the structured subject matter is to make the right decision. This knowledge is also required to communicate decisions and reasons to others (Lee, 2007).

ISM is different from other analysis tools which ISM does not attempt to resolve the situation into smaller parts, but connect ideas to build a model of situation. Therefore, the ISM excels in solving problems of higher activities such as root cause analysis and definition of a complex process or concept. According to Saxena et al, 1992, this method can be used to help a group, in identifying the contextual relationship between sub elements of each element that makes a system based on the idea or structural determinants in a complex problem.

Identification steps of relationships between sub-elements in a complex system with ISM method is (Indrawanto, 2009):

1. Identification of system elements.

System elements and sub-elements are identified and registered. This can be done through research, brainstorming, or other.

2. Determination of contextual relationships between elements.

Contextual relationships between elements or sub elements are determined in accordance with the purpose of modeling.

3. Establishment of Structural Self Interaction Matrix (SSIM).

This matrix is the result of expert respondents' perception of contextual relationships between elements or between sub-elements. There are four kinds of symbol to present the type of relationship that exists. The V symbol is used to declare their

contextual relationship has been established between the elements above the element $E_i E_j$, but not vice versa. The A symbol is used to express their contextual relationships that have been established over the element E_i to the element E_j , but not vice versa. The X symbol is used to express their contextual relationships that have been established over a reciprocal basis between the E_i and E_j elements. The O symbol is used to declare the absence of contextual relationships that have been established over the E_i and E_j elements.

4. Establishment of Reachability Matrix (RM).

This matrix is a binary matrix which is the result of the SSIM conversion. The conversion rules of the SSIM to RM is that if symbols in the SSIM is V, then the value $E_{ij} = 1$ and the value $E_{ji} = 0$ in RM, if the symbol in the SSIM is A, then the value $E_{ij} = 0$ and the value $E_{ji} = 1$ in the RM, if symbols in SSIM is X, then the value $E_{ij} = 1$ and the value $E_{ji} = 1$ in the RM, if the symbol in the SSIM is O, then the value $E_{ij} = 0$ and the value $E_{ji} = 0$ in the RM. RM initial matrix need to be modified to indicate the direct and indirect reachability, a condition in which if $E_{ij} = 1$ and $E_{jk} = 1$ then $E_{ik} = 1$. E_{ij} is the condition of the contextual relationship between the elements of the element $E_i E_j$. From the modified RM matrix, Driver Power (DP) and the value of dependence (D) will be obtained. Based on the value of DP and D, the elements can be classified into four sectors, namely:

- 1) The autonomous sector is a sector with low DP value and low D value. The elements included in this sector are generally not associated with the system or have a little relationship.
- 2) The dependent sector is a sector with low DP value and high D value. Elements included in this sector are not free element in the system and very dependent on other elements.
- 3) The linkage sector is a sector with high DP value and high D value. Elements included in this sector must be examined carefully because any changes in these elements will affect other elements and will eventually come back to affect the element itself.

- 4) The independent sector is a sector with a high DP value and low D value. Elements included in this sector can be considered as free elements. Any changes in these elements will have impact on other elements so that the elements in this sector should also be examined carefully.
5. Creation of level-partitioning
Elements are classified into different levels of the ISM structure which will be formed. For this purpose, two devices are associated with each element in the system, namely reachability set (R_i) which is a set of elements that can be achieved by the element E_i , and antecedent set (A_i) which is a set of elements in which elements of E_i can be achieved.
6. Establishment of canonical matrix.
In this matrix, elements with the same level are grouped. This matrix is then used to prepare digraph.
7. Digraph.
Digraph is a graph of the elements that are interconnected directly and the hierarchy level.
8. Generating ISM with moving the entire number of elements with a description of the actual elements. ISM provides a very clear description of system elements along the connection plot.

Another SSM analysis tool is causal loop diagrams. Vennix (2001) describes in a simple way one of the devices used in the modeling are Causal Loop Diagram (CLD). CLD states a causal relationship between a set of variables that are running in the system. CLD basic elements consist of variables (factors) and arrows (links). Variables are the conditions, situations, actions, or decisions that affect and can be affected by other variables. Variable can take the form of quantitative (measurable) and qualitative (soft). One of the advantages of causal loop methodology is its ability to incorporate variable - the qualitative variables in systems-thinking approach. CLD is very useful to explain the interdependence in various situations and effectively to determine mental models. Other CLD element is the arrow (link) which indicates the relationship between two variables, or changes in these variables.

After a causal link is made, it is important to know how the variables are connected. In general, there are two possibilities:

1. Two variables may move in the same direction (+);
2. Two variables move in the opposite direction (-).

CLD model is a model widely used in problem solving with a systems approach that considers the dynamic complexity of the system or to support a dynamic system approach. CLD model emphasizes to the action-reaction relationship between the system's components which are illustrated in a diagram in the form of a curved line that led the arrow that connects the system components with one another.

The collection of data that will be analyzed in this study uses interview techniques, by interviewing experts and institutions that can support the goats in Tanggamus like herd, government, investors, financial institutions. Later observations by direct observation of goat farmers in Tanggamus and institutions that can support the goats in Tanggamus as Livestock Group, Government, Investors, Financial Institutions. And documentation done with the recording of documents related to goat in Tanggamus and institutions that can support the goats in Tanggamus like herd, governments, investors, financial institutions.

RESULT AND DISCUSSION

Saburai goat is a result of breeding two types of goat, between Ettawa breed goat (PE) with Boer goats. By using the artificial insemination method in 2001 in Tanggamus, Ginting, Lampung which is done by an inseminator named Masro Haryono, farmers get Saburai types goat. Saburai goat livestock are in great demand because Lampung has several advantages, for example the level of production and quality of meat as well as a faster growth rate, while maintenance and care not much different from local goats. Tanggamus, Lampung, was the site of Saburai goat commodity development because it has good climate and abundant supply of feed for livestock. Government support Lampung Province as a cattle barn in order to achieve self-sufficiency in meat with feed processing technology. Department of Animal Husbandry and

Animal Health (Disnakkeswan) of Lampung Province developed a manufacturing technology to anticipate the shortage of fodder in the dry season.

Goat livestock Saburai institutional model in Tanggamus was made to achieve food endurance in Lampung and also make Saburai goat to become a nationally high quality breeds and also to make Tanggamus to be the central of farm in Lampung Province. The design of the Institutional agribusiness model of cattle Saburai goat in Tanggamus formulated based on the assumption - the basic assumptions of the highest priority as a prerequisite that must be considered in the preparation of the Institutional agribusiness model of cattle Saburai goat in Tanggamus.

Through polls and interviews from unknown sources there are five elements of the model in the development of agri-livestock Saburai goats the institutional model that is government, Collectors, Investors, Financial Institutions and Livestock Group. Then from the main elements there are several sub elements:

Table 1 Stakeholders Group Elements That Influenced By The Development of Saburai Goats in Tanggamus

No.	Elements
1.	Department of Animal Husbandry & Animal Health Tanggamus
2.	Department of Food Crops and Horticulture Tanggamus.
3.	Livestock Group
4.	Investor.
5.	Collectors/ Goat Sales Agent
6.	Reserach Institute
7.	Department of Cooperatives and SMEs Tanggamus.
8.	Bank/ Cooperatives

Expert assessment of the contextual relationship between the sub-elements of stakeholder groups that are affected do approach V, A, X and O. Each expert opinion value is being aggregated to get the value of the combined opinion. Assessment of individual and

joint expert opinion is based on matrix reachability. The next step is making reachability matrix by changing the SSIM into a binary matrix, which is done by converting the symbol V, A, X and O with the numbers 0 and 1. After getting the reachability matrix that has been corrected with the rules of transitivity, it can be seen that the element leveling can be narrowed down by using reachability matrix partitioning. For the following stage, reachability matrix will be divided into the reachability or variable *i* and antecedent or variable *j*. The results of reachability matrix partitioning are that from a total of 8 elements. Level recapitulation of Institutional agribusiness model of Saburai goat in Tanggamus presented in the table below:

Table 2 Tanggamus Saburai Goats Inter-agency relationship element leveling

Level	Elemen
1.	Livestock Group
	Research Institute
2.	Department of Animal Husbandry & Animal Health Tanggamus
3.	Department of Cooperatives and SMEs Tanggamus.
4.	Investor.
	Department of Food Crops and Horticulture Tanggamus.
	Collectors/ Goat Sales Agent
5.	Bank/ Cooperatives

After sealing reachability matrix has been done, then the next is to create a conical matrix, with a sort reachability matrix in accordance with the results of insulation reachability matrix, where in the column order starting from the first element on the level. Analysis of the eight sub-elements such institutional showed that a key element is having a drive-power highest of Livestock Group (3) and Research Center (6) is in accordance with the facts shows that the Livestock Group is a goat herders gather, talk and overcome problems in raising Saburai goats, Livestock Group provides services to all members in the process of raising Saburai goats.

Livestock groups are also used as an agent to communicate information, training, and assistance from the government or from the private sector to Saburai goat farmers. Furthermore, the important role of the Research Institute in identifying and addressing the existing problems in the Saburai goat agribusiness in Tanggamus. Research Institute is an important element in the progress of a region. A researcher can give recommendations to the elements that influenced the development of Saburai goat agribusiness in Tanggamus, so problems that arise can be identified and resolved, ranging from capital, nursery, how to raise goats, diseases prevention, animal breeding and Saburai goats sales process . So that, the improvement of Saburai goats livestock development should focus on these two elements, but other elements are also considered. Furthermore, the reachability matrix made final as follows:

Table 3 Final Institutional Element Reachability Matrix (RM)

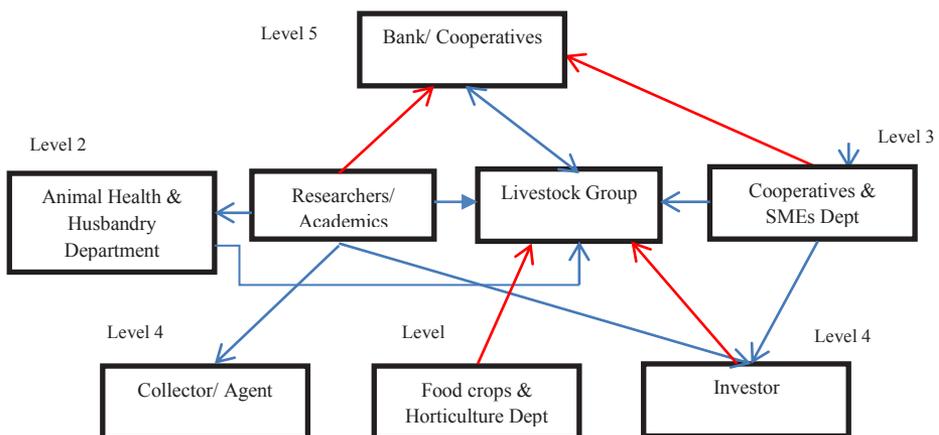
	1	2	3	4	5	6	7	8	DP	R
1	1	1	1	1	1	1	0	0	6	2
2	1	1	1	0	0	1	0	0	4	4
3	1	1	1	1	1	1	1	1	8	1
4	0	0	1	1	0	1	1	0	4	4
5	0	0	1	0	1	1	1	0	4	4
6	1	1	1	1	1	1	1	1	8	1
7	0	0	1	1	1	0	1	1	5	3
8	0	0	1	0	0	0	0	1	2	5
D	4	4	8	5	5	6	5	4		

Explanation :

- 1) D = *dependence*
- 2) DP = *driver power*
- 3) R = *ranking*

Based on the aspect of a thrust power (driver power) from the Reachability Matrix (RM) can be made structural model diagram. The number of basic level is sub-element which has the highest power driver Group Saburai and Livestock Research Institute. At the second level Department of Animal Husbandry and Animal Health Tanggamus and for third-level Department of Cooperatives and SMEs subsequent Investors, collectors/Livestock Agent and the Food Crops and Horticulture Tanggamus are at level four. At the level of the last or fifth, Banks/Cooperative artificiality of these elements can increase the Saburai goat livestock development in Tanggamus. Saburai livestock groups and Research Center at the basic level or unity because if there is a constraint on the sub-elements there will be a reduction on livestock development Saburai goats in Tanggamus. Sub elements Banks/Cooperative is located on the fifth level because of the constraints that occur in the sub-elements does not significantly affect the decline in livestock Saburai goat agribusiness development in Tanggamus. Here is a model diagram Structural elements - elements of institutional cattle Saburai Goat:

Figure 1 Structured Model Diagram of Tanggamus Agribusiness Saburai Goats Institutional Elements



Source: Processed Data 2016

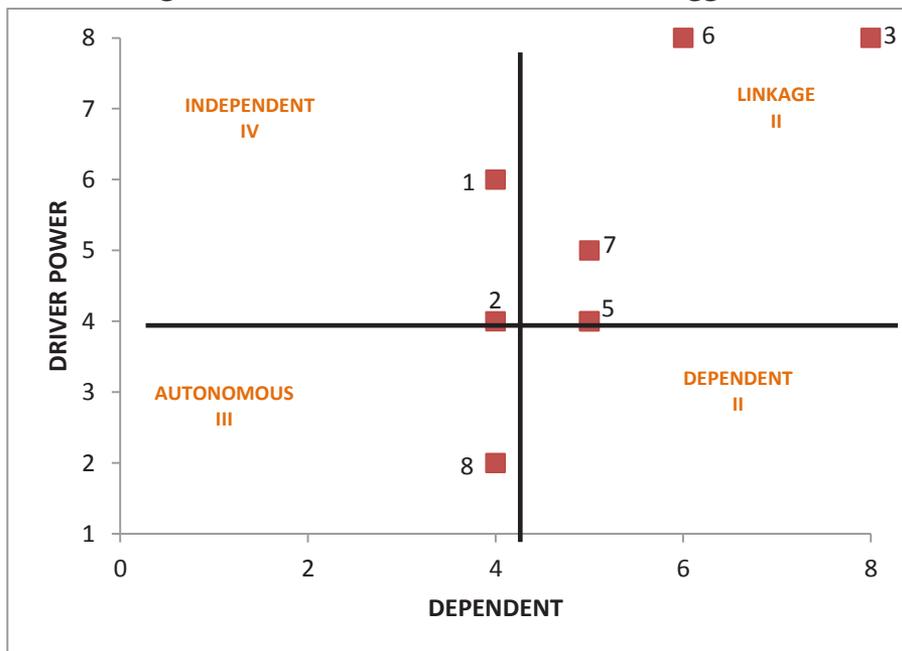
Information :

- 1) blue line means influencing
- 2) red lines mean affected

From structural model diagram, there are five levels of element of institutional animal Saburai goat agribusiness in Tanggamus. The first level group is Ternakdan researchers/ academics. The second level is the Department of Animal Health Pertenakan and Tanggamus. Furthermore, on the third level is the Department of Cooperatives and SMEs Tanggamus on the fourth level of Food Crops and Horticulture Tanggamus, collectors/agents and investors later on the fifth level Bank/Cooperative.

Subsequently made dependent matrix drive power and institutional elements agribusiness goat livestock in the county Saburai Tanggamus as follows:

Figure 2 Matriks drive power & dependent Saburai Goats Agribussines Institutional Elemen inTanggamus



The analysis result of 8 elements institutions involved in the development of agribisnis Saburai goat in Tanggamus showed that the key element is the Saburai Livestock Group (3) and Researchers/Academics (6). Saburai livestock groups and Researchers/Academics are very helpful in overcoming the problem in raising Saburai goats. Based on the value obtained Driver Power and Dependence Matrix DP-D for agencies involved elements that can be seen in Figure 2. A key element in the matrix DP-D in the top position with a value driver power (DP) is the highest, both the Independent or Linkage namely Saburai goat Livestock Group (3), Researchers/academics (6), the Department of Animal Husbandry and Animal Health Tanggamus (1), Department of Food and Horticulture Tanggamus (2), the Department of Cooperatives and SMEs Tanggamus (7), Investor (4) and Collector/livestock Goats agent. For autonomous and dependent section is Banks/ Cooperative. The problem in the institutions, will make the development of agribusiness goat difficult to achieve, because the agency has an important role related to capitalization, nursery, maintenance and sales. This meant that the agency must really be considered to make a good relationship so that the development of agri-livestock Saburai goats can be achieved. Collectors/Goat Sales Agent (5) are in sector II (Dependent), because the collectors/agents only distribute the finished product and does not contribute much to improve the development of agri-livestock Saburai goats, but work collectors/agents will be affected when consumer demand decreased. Research Center (6) and Saburai Livestock Group located in sector I (linkage), because the Research Institute and Livestock Group directly help develop the agri-livestock Saburai goats in Tanggamus and Department of Cooperatives and SMEs have not prioritized the development of livestock Saburai goats priority Cooperative Agency and SMEs in the case are still cattle, that compared to Saburai goats .

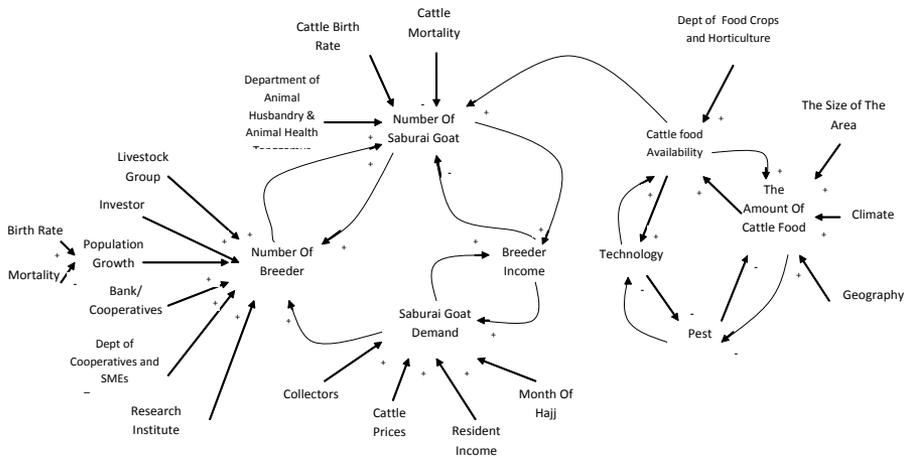
Furthermore, through literature, thought and work experience of the interview result, then a few things that are need attention in causality relationship is the development of Saburai goat agribusiness in Tanggamus are as follows:

Tabel 4 Causality Factors Modelling

1) Number Of Saburai Goat	2) Livestock birth rate
3) Breeder Income	4) Livestock mortality
5) Saburai goat demand	6) Months of Hajj
7) Number Of Breeder	8) Department of Food Crops and Horticulture Tanggamus.
9) Investation	10) Department of Animal Husbandry & Animal Health Tanggamus
11) Population Growth	12) Investor
13) Population birth rate	14) Department of Cooperatives and SMEs Tanggamus.
15) Population Mortality	16) Livestock Group
17) Cattle food Availability	18) Bank/ Cooperatives
19) Institutional	20) Academics/ Researchers
21) Cattle Prices	22) Collector
23) Resident Income	24) Climate
25) Geography	26) Technology

CLD model emphasizes on the causal relationship between the components of the system illustrated in a diagram in the form of a curved line that led the arrow that connects the system components with one another. The tip of the arrow affixed with a sign (+) indicating that if the components that influence or as cause changes or increases, the components of the affected will change or increase too and sign (-) indicates the opposite to sense when the components that affect increases, the component-influenced decline. Furthermore, from the table above, causal loop diagram (CLD) image is made which contains Development of agri-livestock Saburai goats in Kabupaten Tanggamus as follows:

Figure 3 Tanggamus Saburai Goat Agribusiness Development Causal Loop Diagram



To be able to develop the agribusiness Saburai goats in Tanggamus factor paling main is to increase the number of goat farmers Saburai by opening the widest investment Saburai goats the previous people who want to breed tetapai do not have the capital to society can breed Saburai goats so that agri-livestock Saburai goats can thrive. Furthermore, it can be described as follows:

1. Number of Goats

- The number of goats is affected by the death of livestock. The higher the level of livestock deaths, the number of Saburai goats will be reduced.
- The number of goats is affected by the birth of Livestock. The higher level of animal birth, the higher the number of animals there.
- The number of goats is affected by the Office Keswan Tanggamus. The better the performance of the Department of Keswan Tanggamus the number of goats will be many more.
- The number of goats is affected by Farmers Number. The more the number of farmers, the more the number of Saburai goats.
- The number of goats is affected farmer incomes. The higher the income of farmers, the number of Saburai goats will wane.

2. Number of Farmers.

- The number of farmer is affected by Farmers Group. The better performance of Farmers, the more the number of goat farmers Saburai.
- The number of Farmers is affected by investor. The more the number of investors goats the more the number of goat farmers Saburai.
- The number of farmers is affected by farmers Bank/ Cooperative. The more Banks/Cooperative that provides venture capital, the more also the number of goat farmers Saburai.
- The number of farmers is affected by Researchers/Academics. The more empirically/academics in the field of breeding goats will nmeningkatkan Saburai number of goat farmers.
- The number of farmers is affected by population growth. The increasing population will increase also the number of goat farmers Saburai.

3. Saburai Goat Demand

- Saburai goat demandis influenced by collectors. The better the performance of agents/wholesalers Saburai goat goats then demand will increase.
- Saburai goat demandis influenced by the price of cattle. The lower the price of cattle, the goats will increase the number of requests.
- Saburai goat demandis influenced by residents' income. The higher the population, the demand for saburai goat will increase as well.
- Saburai goat demand isinfluenced by the Moon Haji. Saburai goat demand will increase when the advent of the month of pilgrimage.

4. Farmer's Income.

- Farmers' income is affected by the number of Saburai goats. The higher the income of farmers, the number of Saburai goats will be reduced.

- Farmers' income is affected by demand for goat farmers Saburai. The higher the income of farmers, the higher the demand for goat Saburai.

5. Availability of feed

- Availability of feed is affected by the amount of feed. The better availability of fodder, the amount of fodder more.
- Availability of feed is influenced by technology. The better the technology used, the amount of fodder will be many more.
- Availability of food is influenced by the Department of Crops and horticulture. The better the performance of the Department of Crops and horticulture, the availability of animal feed would be good too.

6. Total Feed

- The amount feed is affected by pests. More and more pests in livestock feed, the amount of fodder will decrease.
- The amount of feed is affected by total area. The wider the area, the amount of feed will be.
- Total Feed influenced by climate. The better the existing climate, the amount of feed the better.
- Total Feed influenced by Geographic. The better the geographical location, the amount of feed the better.
- The more pests in livestock feed, the technology used is low.

Inter-element Connection

Department of Animal Husbandry and Animal Health in Tanggamus has a good role in the development of agribusiness Saburai goats. The role can be seen by providing job and business opportunities, increasing income and welfare of farmers, increasing in livestock population, an increase in the GDP, as well as increased consumption of animal protein in order to increase the nation's intelligence. That contribution occurred in both the upstream segment, onfarm, as well as the downstream process. To be able to express their opinions to stakeholders or state institutions will be established farmer group (Livestock Group) who can bridge the gap between the Department of Animal Husbandry and Animal Health in Tanggamus with goat farmers Saburai. Thus, farmers' aspirations can

be channeled. In order to empower businesses Saburai goat farmers, Cooperatives and SMEs Tanggamus empowerment to business - the business of cattle Goats including goat raising Saburai so as to improve the welfare of farmers goat Saburai. Department of Cooperatives and SMEs Kabaupaten Tanggamus give empowerment to collectors goats in order to grow and provide information in the marketing strategies of livestock both in Tanggamus as well as in other areas. Department of cooperatives and SMEs Tanggamus give permits easy and gives bantuan to cooperatives - cooperatives that serve goat raising Saburai. Bank provides venture capital are usually large-scale and medium that was instrumental in Saburai goat agribusiness in Tanggamus. In the matter of fodder facing Saburai goat farmers, the Department of Food Crops and Horticulture Tanggamus provide knowledge to farmers Saburai goat on a wide range of animal feed, can constitute a good feed availability. In ensuring the availability of fodder in the dry season arrives, the Department of Food Crops and Horticulture Tanggamus give knowledge to farmers about konstat feed for companion animal food quality.

CONCLUSION AND SUGGESTION

Conclusion

Tanggamus potentials in agribusiness development Saburai goat are very well supported by the demographic conditions that support the availability of feed which is still abundant. By understanding the systems approach model of CLD, it can be seen more clearly that the effort to develop Saburai goat agribusiness in Tanggamus decisive factor is to increase the number of farmers by increasing investment Saburai goats supported technologies to achieve the availability of fodder and provide training to improve knowledge of how to raise Saburai goats good. Institutional agribusiness model of Saburai goat consists of five levels, the first level is Livestock Group Research Institute Saburai and subsequently at the second level Department of Animal Husbandry and Animal Health Tanggamus and third level is the Department of cooperatives and SMEs Tanggamus. The fourth level is the Food

Crops and Horticulture District, collectors/agents and investors. Elements of institutions involved in the development of agribisnis Saburai goat in Tanggamus showed that a key element is the Livestock Group Research Institute Saburai and directly help develop the agrilivestock Saburai goats in Tanggamus.

Suggestion

With this research, based on the design of the agribusiness model Saburai goats in Tanggamus, it is expected to enhance the theoretical knowledge and to improve skills in developing Saburai goat agribusiness in Tanggamus. And it is hoped that this research could be used as a reference and basis for the government's work in developing the Saburai goat agribusiness in Tanggamus. This research can be a reference for other researchers who want to conduct research rancan wake agribusiness by using interpretative structural modeling and caussal loop diagrams.

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LEGAL ASPECTS IN THE DEVELOPMENT OF DIGITAL-BASED MICRO-ENTERPRISES IN THE CONTEXT OF INDONESIA'S ECONOMIC DEVELOPMENT¹

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Abstract

Micro-enterprises are one of the business sectors that currently dominate in Indonesia with a percentage reaching 90%. However, over time the problems that occur in micro-enterprises still need changes to be able to develop micro-enterprises to be able to advance to class. Especially in the technology sector and legal aspects that need to be met by micro business actors to be able to increase business capacity so that micro businesses can continue to compete and develop their business. This research uses a juridical nomatif method with an analytical descriptive approach. The results of the research show that the problems of developing micro-enterprises include several aspects such as legal aspects and technological aspects, in addition to marketing difficulties, financial limitations, limited human resources, and raw material problems are still limitations and difficulties for micro-enterprises. Until now, the form of legal protection for micro-enterprises that is being provided by the government is through ease of business licensing, empowerment of micro and small businesses, partnership patterns, as well as simplification of the form of business as a legal entity with a Limited Liability Company, which was originally founded by two

¹ Monograf ini merupakan Hasil dari Penelitian Disertasi Penulis

people, has now been simplified into one person. in order to provide opportunities for micro-enterprises to be able to develop their businesses and to be able to compete globally in order to develop the Indonesian economy.

Keywords: Legal Aspects, Micro Enterprises, Digital Based, Indonesia.

I. Introduction

1.1 Background

The mandate of the Constitution in Article 33 paragraph (1) in the context of Indonesia's economic development aims to be able to improve the welfare of the people's life which is arranged as a joint effort based on the principle of kinship to be able to achieve prosperity and prosperity for the whole community and the state which is carried out with all efforts where one of the one is by empowering, developing and increasing the capacity of micro-enterprises in Indonesia.²

The non-formal characteristics of micro-enterprises make micro-enterprises a very flexible business in carrying out their business activities, especially when there is an economic crisis, it is proven that micro-enterprises are able to survive in supporting the regional economy or even the national economy, especially in Indonesia.

Through the role of micro-enterprises which are considered very strategic, especially in improving and recovering the national economy, it is necessary to have efforts from relevant stakeholders together with the government to integrate, especially in the business world and the industrial world nationally. So that it is expected to improve living standards and competitiveness, especially the role of national economic development.³

² Laurensius Arliman, *Perlindungan Hukum UMKM Dari Eksploitasi Ekonomi Dalam Rangka Peningkatan Kesejahteraan Masyarakat*, Jurnal *Rechts Vinding* Media Pembinaan Hukum Nasional, Volume 6, Nomor 3, Desember 2017, Hlm 388

³ Hadi Ismanto & Tohir Diman, *Analisis Efektivitas Pemberian Pinjaman Program Pembiayaan UMKM Oleh Koperasi*, Jurnal *Economia*, Volume 10, Nomor 2, Oktober 2014

Economic development is also accompanied by various factors such as the formation and changes in policies and regulations, institutional formation and implementation mechanisms, especially in the digital era of technology as it is today which accommodates all forms of human activity so as to make the impact of changes in human behavior to be able to transform into an electronic-based digitalization form so that there is a need for implementation for micro-enterprises to be able to increase technological knowledge towards changing people's behavior towards a digital economy and the formation of sustainable laws by policy makers as an effort to develop the Indonesian economy.⁴

Micro-enterprises are national economic actors that have a very strategic role, especially in national economic development.⁵ In addition to playing a role in the growth of the national economy, micro-enterprises also have an important role, especially in the absorption of labor and the distribution of development results in a real way to be able to improve welfare and increase the economy locally and nationally.⁶

Several legal aspects such as business financing, increasing business capacity through the legality of micro-enterprises and credit guarantees for micro-enterprises are some of the classic problems that make micro-enterprises still in difficulty in accessing, especially in the financing or capital sector. So there is still a lack of the financial institution sector such as banks to look at micro-enterprises and provide financing assistance.⁷

Besides that, micro-enterprises in the midst of difficulties in legal aspects also often experience difficulties, especially in developing human resources, especially in increasing the capacity of human resources in terms of upgrading technological developments. Especially in terms of digital-based marketing,

⁴ Yuli Rahmini Suci, *Perkembangan UMKM (Usaha Mikro Kecil dan Menengah Di Indonesia)*, Jurnal *Cano Ekonomos*, Vol. 6. No. 1, Januari, 2017, Hlm 58

⁵ Tambunan, Tulus, *Micro, Small and Medium Enterprises in Indonesia (Important Issues)*. Ghalia Indonesia, Bogor, 2017. Hlm 56

⁶ Eka Travilta Oktaria, *Pengembangan UMKM Dalam Pembiayaan Berbasis Koperasi Dalam Rangka Peningkatan Ekonomi di Indonesia*, Jurnal *Ekombis*, Vol 3 No 1 Tahun 2018 Hlm 6

⁷ Lukmanul Hakim, Etty Mulyati, Djuhaendah Hasan dan Tarsisius Murwadji, *Legal Aspects of Micro Business Development Institutions in State Purpose of Welfare*, Jurnal *Fiat Justisia*, Volume 14 No 3 Tahun 2020. Hlm 248

technology has a very big impact, especially in the era of the industrial revolution 4.0 as it is now making micro-enterprises to continue to be able to develop in carrying out their business activities.

Currently, the government's role, especially in capacity building for micro-enterprises, is through several programs, such as digital transformation, which was originally conventional in nature, now turning to electronic-based digital technology. In addition, some capital assistance such as the Revolving Fund Management Agency and in the form of grants such as the Productive Assistance for Micro Enterprises that the government is currently providing to micro-enterprises will certainly have a significant impact, especially in the development of micro-enterprises. In addition, the role of digital financing such as securities crowdfunding is part of the digital transformation in the world of financing that cannot be separated from developing and increasing business capacity for micro-enterprises.⁸

Based on the above background, it can be concluded that several aspects that are one of the developments of micro-enterprises are still a homework for micro-enterprises, including legal aspects and technological aspects which become a synergistic unit to make digital-based micro-businesses in the context of developing the digital economy. in Indonesia based on the principle of kinship to create prosperity for the community, especially micro business actors.

1.2 Problems

Based on the background that has been described, the problems in this research will be discussed:

1. How is the development of digital-based micro-enterprises in the midst of difficulties through legal and technological aspects in the goals of the welfare state?

⁸ Ayu Putu Yulia Kusuma Wardani Dan Nyoman Ari Surya Darmawan, *Peran financial technology pada UMKM : Peningkatan literasi keuangan berbasis payment gateway*, Jurnal Ilmiah Akuntansi dan Humanika, Vol 10 No 2, Mei- Agustus 2020. Hlm 170

2. How is the legal protection for micro-enterprises, especially in the application of technology aspects as an effort to increase digital-based micro-enterprises in the context of Indonesia's economic development?

1.3 Research Method

This research uses a method that uses library research using secondary data.⁹ Secondary data comes from primary legal materials, secondary legal materials and tertiary legal materials.¹⁰ The data processing and analysis method used in writing this monograph uses qualitative methods, especially data regarding legal aspects and technological aspects that support the development of digital-based micro-enterprises. Through qualitative methods, the validity of the data that comes from secondary data that will be used is prioritized and not from the amount or quantity. This qualitative method will produce analytical descriptive data that what is stated by the research target concerned will be stated in writing or orally and real behavior.

II. Discussion

2.1 Development of Digital-Based Micro Enterprises Amid Difficulties Through Legal and Technological Aspects in the Goals of the Welfare State

The welfare state means ensuring the common welfare in society. The welfare state is closely related to the existence of social policies, because a country that implements social policies means that the welfare state refers to the government's efforts to improve the standard of living of its people.

The big role and responsibility held by the government in a country for the social and economic welfare of its people as stated in the opening of the fourth paragraph of the 1945 Constitution, namely the general welfare of all Indonesian people. As evidence of

⁹ Soerjono Soekanto, *Pengantar Penelitian Hukum*, Cetakan 8, UI-Press, Jakarta, 2018, Hlm 10-13

¹⁰ Mukti Fajar dan Yulianto Achmad, *Dualisme Penelitian Hukum Normatif dan Empiris*, Pustaka Pelajar, Yogyakarta, 2015, Hlm 156

the realization of a welfare state that is active in managing a good economy.

The state has a role especially in protecting the rights of the people in the economic, social, legal and political fields, including the right to have equal opportunities, especially in improving the standard and quality of human life so that they can live properly, so as to create social welfare for all Indonesian people.¹¹

The government has a responsibility to distribute the general welfare. The aim of promoting general welfare in the Indonesian economic system is described in Article 33 of the 1945 Constitution that economic activities must be based on the principle of kinship. This principle reflects the principle of collectivism in a people's economic system and an economic structure that is constructed based on economic democracy. To realize economic democracy, namely by prospering the poor by alleviating poverty so that there is no longer economic inequality, so as to be able to suppress economic inequality.

The creation of a justice in this welfare state characterizes the creation of harmonization of the parties, especially a just and prosperous society that realizes equitable development related to the fulfillment of needs and the provision of goods and services from the community's economy.

In addition, the emergence of social inequality and conditions of difficulty in competing have created a bad stigma for the community's economy in the midst of the current Indonesian economy. This condition provides an overview for digital-based micro-enterprises in creating a healthy digital business climate and conducive digital-based business competition so that the long journey of prosperity can improve considering that in the current digital era, information disclosure is very easy to access electronically.

¹¹ Lukmanul Hakim, Ety Mulyati, Djuhaendah Hasan, Tarsisius Murwadji, *institution for improving the capacity of micro business business in indonesia*, Palarch's Journal Of Archaeology Of Egypt 18 (1), ISSN 1567 -214x, Hlm 4043

Digital-based Micro Enterprises then proves that the characteristics of digital-based micro-enterprises are not owned by many other businesses such as medium-sized and large-scale businesses, because considering that digital-based micro-enterprises are not touched by funding programs, digital-based micro-enterprises are still able to survive and are still being digital business incubator and embryo for business development towards small businesses and even transforming into medium or large businesses on a digital basis, making it easier for digital micro businesses to advance to class.

The difficulty that afflicts digital-based micro-enterprises apart from funding and financing is no less difficult is the low quality of human resources who understand digitalization both in formal terms and knowledge and skills regarding knowledge of digitalization technology. The low quality of management in managing the business and productivity as well as the quality of the goods produced are still less competitive, the lack of digital innovation and the difficulty of adapting in the development of digitalization of new technologies.

Digital-based micro-enterprises that have not been able to meet the development of digital technology still carry out their business activities manually or it can be said that they are still using traditional methods, such as the absence of recorded financial reports, either collection of purchase notes or sales notes that have not been packaged neatly, even though In the current digital era, technology regarding financial reports has been running well, including several applications regarding digital financial reports that can be used, such as Journals made by private parties based on applications and applications made by Bank Indonesia, namely SIAPIK by providing convenience for micro-enterprises based on applications. digitally to record results in the form of daily, monthly or even annual financial reports based on applications on Android that can be accessed anytime and anywhere.

In addition, the weakness of government guidance, especially the issue of digital licensing for digital-based micro-enterprises related to the Business Identification Number and Micro-Small Business License where this is the most important thing, especially as one of the requirements for loan services from digital-based financial institutions. When looking at the growth rate of digital-based micro-enterprises up to 2019, digital-based micro-enterprises seem to dominate the scale of business in Indonesia, but due to the characteristics of digital-based micro-enterprises, they are still experiencing difficulties in carrying out their role in increasing regional income, especially in national economic development.

Due to experiencing obstacles and unfavorable conditions such as not being like digital-based micro-enterprises in digital finance and the interest offered to digital-based micro-enterprises is still fairly high interest, in addition to digital financial administration procedures that are very complicated, requiring a guarantee or principal collateral. Digital-based banking institutions and digital finance such as fintech or crowdfunding are the most dominant obstacle apart from the problem of minimal capital.

Digital-based micro-business financing poses a challenge for banks because for banks in distributing digital-based financing to digital-based micro-enterprises, it is classified as providing a high risk impact because considering that digital-based micro-businesses are already feasible or can be said to be feasible in business but not yet feasible economically. banking because there are still insufficient requirements for digital-based micro-enterprises so that digital-based micro-enterprises are said to be still not bankable.

As the development of digital-based micro-enterprises continues to increase, it has not been matched with quality developments because they are still facing these classic problems. Regarding protection for digital-based micro-enterprises, the government's role in loading the foundation for digital-based micro-enterprises is where the rules are expected to be the main basis in fostering and developing digital-based micro-enterprises in

Indonesia, but there are no regulations that accommodate digital-based micro-enterprises so that they have not been able to support digital-based micro-enterprises. running optimally because digital-based micro-businesses are still not well established and the quality of digital-based micro-businesses is still minimal in marketing.

Digital-based micro-enterprises have a very important and strategic position, potential and role in realizing national development goals in general, especially economic development. One of the leading supporting pillars of economic growth is digital-based micro-enterprise because it is most easily accessible to the lower class and is the business field that absorbs the most labor spread throughout Indonesia because it is flexible and can easily adapt to the ups and downs and the direction of the economy and the economy. make an important contribution to exports and trade.¹²

Digital-based micro-enterprises as one of the pillars of the Indonesian economy with the largest number are currently the sector that plays the most role in the development of the national economy and provides economic services that cover all very broad layers of society. Generally, digital-based micro-enterprises do not have the opportunity to develop themselves, especially in developing their businesses due to the problem of lack of funding and difficulty in obtaining capital loans through credit from digital-based banking institutions and other digital non-banks such as fintech landing and crowdfunding.

2.2 Legal Protection for Micro Business Actors, Especially in the Application of Technological Aspects as an Effort to Improve Digital-Based Micro Enterprises in the Context of Indonesia's Economic Development

The theory of Development Law is very relevant in this discussion considering that increasing the capacity of digital-based micro-enterprises is a form of equitable distribution of welfare so that it requires legal regulations that regulate and direct the

¹² RM. Aldaba, 2012. SME development: narrowing the development gap in the ASEAN Economic Community. *Philippine Journal of Development* 39(71): 143-169.

activities of digital-based micro-enterprises as a means of increasing their business capacity. In addition, by means of legal reform through culture and habits, people can build new regulatory technology development facilities, especially in the current digital era so that the role of technology and law as a form of digital-based infrastructure facilities and infrastructure must be able to coexist and continue to be developed, especially the importance of legal rules that support perpetrators. digital-based micro-enterprises to be able to continue to increase their capacity.

In order to develop economic development in Indonesia, it is necessary to foster a healthy digital business climate in accordance with what has been determined by the government. The digital-based financing aspect as intended is intended to expand digital-based funding sources and facilitate digital-based micro-enterprises to be able to access digital-based banking credit and conventional and digital financial institutions. In addition, the government facilitates the number of digital-based financial institutions so as to expand the network that can be accessed by digital-based micro-enterprises in order to provide convenience in obtaining digital-based funding quickly, precisely, cheaply, efficiently and non-discriminatory in service but still in accordance with the laws and regulations. invitation. In addition, the government helps digital-based micro-enterprises to obtain digital-based financing and other financial services/products provided by digital-based financial institutions with guarantees provided by the government.¹³

The aspect of facilities and infrastructure as referred to is intended to provide general digitalization facilities and infrastructure that can encourage and develop digital-based micro-enterprise growth and provide certain infrastructure tariff relief for digital-based micro-enterprises.

¹³ Thalassinos, I.E. and Liapis, K. 2014. Segmental financial reporting and the internationalization of the banking sector. Chapter book in, Risk Management: Strategies for Economic Development and Challenges in the Financial System, (eds), D. Milos Sprcic, Nova Publishers, 221-255, ISBN: 978-163321539-9; 978-163321496-5.

The Business Information Aspect as referred to is aimed at establishing and facilitating the use of data banks and business information networks as well as providing guarantees of equal access transparency for digital-based micro business actors.

The partnership aspect as intended is aimed at realizing partnerships between micro, small, medium and large businesses. So as to encourage mutually beneficial relationships in the implementation of business transactions between digital-based micro businesses and other businesses. With this relationship, it will encourage mutually beneficial relationships in the implementation of business transactions, especially for digital-based micro-enterprises in developing cooperation to increase business capacity for digital-based micro-enterprises to ensure market structure so that healthy business competition grows and protects consumers and prevents the occurrence of market control and concentration of business by certain individuals or groups.

The digital licensing aspect as intended is aimed at simplifying the procedures and types of digital-based business licensing with a one-stop integrated service system and freeing digital-based licensing fees for micro-enterprises and providing relief for digital-based micro-enterprises.

The digital-based business opportunity aspect as intended is intended to determine the designation of the place of business which includes the provision of a location in the market, shopping space, industrial center location, community agriculture location, community mining location, reasonable location for street vendors, and other locations. In addition, in business opportunities, it is necessary to protect certain strategic businesses for micro-enterprises by providing legal consultation assistance in defense.

The trade promotion aspect as intended is aimed at increasing the promotion of digital-based micro business products by expanding funding for promotion both at home and abroad by facilitating the ownership of intellectual property rights to digital-based micro business products and designs.

Aspects of institutional support as referred to are aimed at developing and improving the function of incubators, business development service institutions, financial consultants for bank partners, and other similar professional institutions as supporting institutions for the development of digital-based micro-enterprises.

Supporting institutional support for digital-based micro-enterprises has a good impact because digital-based micro-enterprises can increase their business capacity. Especially in the support of financing institutions by banking institutions, especially in lending to digital-based micro-enterprises based on the provisions in the Act, that digital-based banking institutions in Indonesia aim to support the implementation of national development in order to increase equity, economic growth and national stability towards improving welfare. people, especially for digital-based micro-enterprises.

In order to always maintain sustainable financing from financial institutions to digital-based micro-enterprises that need to be supported by strong capital. Adequate initial capital to finance bank business activities in order to create a sound financing system that is able to absorb potential losses arising from risk and is able to develop in order to be able to compete nationally.

It is not only financing for banking or non-bank institutions in this case that contributes to fulfilling the funding sector that provides financing to digital-based micro-enterprises in particular. In addition, several programs that are being rolled out are through partnership programs which are part of the company's digital-based Partnership Program and Community Development, apart from being a form of investment as well as a form of corporate responsibility (CSR) either from BUMN or BUMS.

The digital-based partnership program that is being rolled out aims to increase the capacity and capability of digital-based micro-enterprises to become strong and independent through the use of funds from large-scale companies derived from part of the company's profits that are devoted to improving the welfare of the community, especially for business actors so that the development of large businesses to digital-based micro-enterprises continues.

However, the uneven development of digital-based micro-enterprises and the tendency to distribute them to certain groups are weaknesses for the program.

In the current era of digital technology, digital-based micro-enterprises must be able to adapt and modernize business activities that were originally only business-friendly to become banking-worthy. Through the digital-based business licensing aspect by registering based on applicable regulations. With the digital-based licensing registration carried out by micro-enterprises, it is an opportunity for digital-based micro-enterprises to show their company profile through the website as a medium for promoting digital-based micro-enterprises so that they can provide easy access to marketing the types of products being produced. So that the products created can be more trusted by consumers.

With a list of companies, the company management for digital-based micro-enterprises is healthier. Because the community is invited to participate indirectly participate in supervising the company. Digital-based micro-enterprises will also certainly get support from the government regarding digital-based development and digital-based capital. Digital-based coaching which is intended in this case is a training process and digital-based strategic management assistance by relevant agencies so that digital-based micro-enterprises can be more competitive in facing various current eras such as: free trade, the Asean Economic Community (MEA), Asia-China Free Trade Agreement (AFTA), as well as the development of digital data-based technology.

The availability of a clear market for digital-based micro-business products is one of the keys to success in increasing business activities for digital-based micro-enterprises. To increase the capacity of micro-enterprises, it is necessary to have good product standards so that success in marketing products produced by digital-based micro-enterprises can be in accordance with the mechanism desired by the market which is increasingly freely accessible to all parties. In addition, the government's role in facilitating the development of digital-based technology where these facilities can be used as a medium or means of developing

digital-based micro-enterprises effectively and efficiently so that access for digital-based micro-enterprises can be faster and easier to obtain information.

The use of technology referred to in this case is through information media on social networks in carrying out business activities that are in line with technological developments in this era, which is better known as market place or e-commerce so as to provide market opportunities for products produced by digital-based micro businesses which allows for wider sales and faster delivery to consumers.

The progress of economic development and information technology in Indonesia today by realizing efficient payments that will be applied nationally and internationally, as a form of government participation through Bank Indonesia to advance the country coincided with the moment of Indonesian independence, Bank Indonesia launched a unifying payment method for all QR-based payments, namely QRIS is the Quick Response Indonesian Standard as a QR-based payment standard that unifies QR products from all service providers starting January 1, 2020. So with the QRIS application, it is enough to just scan all payments as a form of freedom in transactions. With a smartphone, transactions can be carried out quickly and in real time.

In order to encourage technology-based policies in the current digital era, there is a need for government encouragement through policies and conceptions that can contribute to the existence of a cashless society so that people will easily see buying and selling transactions so as to provide convenience in making financial reports for micro businesses. digital-based so that digital-based micro-enterprises can increase their business.

The current conception of the digital world provides legal relations for the parties involved in the development of digital-based micro-enterprises such as the role of the government in making appropriate policies and regulations in fostering a healthy digital business climate to provide protection for micro-enterprises in particular. the participation of academics in the context of reviewing programs and regulations that have been provided by the

government to business actors so that they can make the right contribution to digital-based micro-enterprises, of course.

III. CLOSING

3.1 Conclusion

- a) Development of Digital-Based Micro-Enterprises Amid Difficulties Through Legal and Technological Aspects in the Welfare State Goal itself is carried out through the role of the government to be able to participate and be responsible for the realization of an active welfare state in managing a good economy
- b) Legal Protection for Micro Business Actors, Especially in the Application of Technology Aspects as an Effort to Improve Digital-Based Micro Enterprises in the Context of Indonesia's Economic Development, including in various aspects such as aspects of ease of doing business, licensing aspects, promotion aspects and aspects of institutional support can provide legal protection for micro business actors in accordance with the mandate of the Act.

3.2 Suggestions

Digital-based micro-enterprises currently need special assistance and attention from the Government and related institutions considering the growth in the number of digital-based micro-enterprises that have been digitally transformed in Indonesia so that they need special handling according to the needs of each business actor in order to be able to empower themselves. competitiveness both nationally and internationally, so that classic problems such as aspects of capital and aspects of digital technology can be resolved properly.

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The Role of Womanpreneurs in the Era of the Covid-19 Pandemic

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ABSTRACT

This study aims to analyze the multi-role of womanpreneur during this covid-19 pandemic. The problem in this study is how the role of women in carrying out their activities other than womenpreneurs, housewives. This study uses a descriptive qualitative approach. Data collection techniques used are documentation and interviews distributed to data sources (informants). The results show that the informants find it difficult during the covid-19 pandemic. Based on the way the informant copes with his role, one of them is to keep dividing the time as effectively and efficiently as possible and making work plans every day. The number of women entrepreneurs in Indonesia is still minimal, namely 0.1% of the total population. The potential of Indonesian women to enter the business sector. Moreover, the female population reaches 49% of the total population of Indonesia. The majority of Indonesian women entrepreneurs work at the level of Micro, Small and Medium Enterprises (SMEs), the smallest move to the top level. Although the number is still small, SMEs women are actually more resilient and it is proven that most of them can survive the 1998 crisis and when the storm hit 2009.

Keywords : *womanpreneur*, SMEs, Covid-19 Pandemic

1. preliminary

Work is a must for everyone and it doesn't even matter whether the person is a man or a woman. In essence, womanpreneur has been known in the past, but it is only limited to working women in the house. Over time, womanpreneurs have begun to penetrate into various sectors, thus providing broad opportunities for women to work outside the home. Many women who have now chosen to become a womanpreneur as well as a housewife. Because many women are trying to pursue their dreams, and this is also part of the times when it comes to improving the family economy. It does not mean that men or husbands are unable to support their families, but because of the desire to help their husbands work and the many needs that must be met for that, there are two factors that make womenpreneurs the reasons for their desires and demands.

During this pandemic, it is also quite a drain on family finances, for example by purchasing internet packages to study online or work online. Womanpreneur does not mean working in an office, leaving in the morning and returning in the afternoon. Now many womanpreneurs work from home, for example, selling online. Although working from home is still difficult for womanpreneurs to divide their time in completing office and home tasks at the same time. However, the issue of womanpreneur is still the subject of endless debate. In addition, there are many parties who compare the profession of womanpreneur with housewives.

This is a new challenge for womanpreneurs who must be managed properly because in reality there are many womanpreneurs who have difficulty carrying out their activities during this pandemic, dividing time and finances are quite complicated, but must be carried out properly..this is where multi-role womanpreneurs are needed during the covid-pandemic period.

19.

2. Literature review

The power that women bring to the global marketplace is multifaceted. A large number of studies that have been conducted have tried to establish how women are at the center of relationships that include family, community and business. In other words, when a woman starts a business, in her mind she is not creating a separate entity. Please include.

Research to be carried out by Moore and Buttner (1997), Helgesen (1990, 1995) and OCED (1998) shows that global markets welcome the various characteristics that business women bring to the international trade arena. These characteristics include the ability of women to build and maintain relationships and networks over the long term. Their effective communication skills, their sensitivity to cultural differences, as well as in appropriate behavior, organizational skills, and non-threatening and non-aggressive behavior.

Characteristics of Women Entrepreneurs

1. Tendency to dare to take risks
2. Tireless
3. High personal motivation
4. Married and is the first child
5. From an entrepreneur father
6. Understanding local social conditions
7. Able financially
8. Skilled in business management

In various surveys conducted around the world, women have always stated that they need a women-only business association and will be active in it. Business associations can play a very important role by providing access to:

- Leadership
- Technology
- International trade practice
- Market identification
- Industry information, trends and niches

- Contacts for credit sources
- Guidance, consultation and advice
- Improvement of skills and production, management and marketing
- Advocacy and legislative pressure

The presence of micro-enterprises managed by women is a form of survival mechanism for the poor. Culturally, women are not productive creatures, but because of their poverty they are forced to participate in productive activities which are culturally the obligations of men. Therefore, women's efforts in developing their businesses do not only deal with technical issues of business ability, but also deals with the relationship between women and men who are unequal and domineering. The contribution of women micro-enterprises as a support for the family, community and even the state's economy during the 1998 monetary crisis is undeniable evidence.

The rise of women entering the realm of small-micro businesses cannot be separated from the macro situation in Indonesia. At a macro level, industrialization policies in Indonesia tend to build large-scale capital-intensive industries by relying on high technology, so that only a small number of people have the skills absorbed in it. The situation developed in such a way that small and macro businesses became the only option for women, especially for poor women who did not have access to other resources.

Various characteristics revealed in research on women entrepreneurs show that a woman who has high motivation, who acts and works without direction has a high internal control ability and a tendency to succeed. Decision making made by women shows a highly personal and subjective process. Various studies reveal that there are a series of individual characteristics that are generally attached to women entrepreneurs, which can encourage their creativity and foster new ideas and ways of doing business.

3. Research methods

This study uses a qualitative approach because the data that is processed is descriptive. The sampling technique was carried out by purposive sampling technique, meaning that the samples taken were selected with certain considerations and objectives. And this sample is used as a source of data (informants) in this study.

Data collection techniques used are documentation and interviews distributed to informants. Data collection instruments in the form of interview and documentation guide. Due to the COVID-19 pandemic, interviews were conducted by giving questions containing questions to the informants who were distributed.

The data analysis technique used is a systematic search and compilation of data obtained from interviews and documentation through the data collection process until the completion of data collection. There are three stages of analysis carried out, namely data reduction, data display, and drawing conclusions and verification which are presented in a qualitative descriptive manner.

4. Results and Discussion

As in other developing countries, the development of Indonesian womanpreneurs has the potential to be the main motor of the process of women's empowerment and social transformation, which in turn has a positive impact on the country's economy. Moreover, Indonesia has also ratified the United Nations program in achieving the Millennium Development Goals (MDGs), two of which are empowering women and reducing poverty in 2015.

When viewed from the side of the location and type of business, generally the types and locations of businesses that have been carried out by women have several characteristics, namely:

1. Women's areas of expertise that have been considered as "customs", such as cooking, washing, ironing, and sewing. Example: catering business.
2. This type of business when starting does not require large capital supplies.

3. The type of business where the transaction and production processes are close to the type of domestic work. Thus, sometimes work is done while doing household chores.
4. The production process is not complex, does not require expensive heavy equipment, and does not require high technology.
5. Managers of profits from business results, usually used to finance daily life.

Most poor women entrepreneurs don't know that there are buyers who might be more concerned about quality, usability and style. Therefore, they often do not think about showing their products to the middle class or, let alone higher ones on the market.

There are many reasons why there is a rapid growth in the number of women becoming entrepreneurs. First of all, women are generally more educated than they were a few decades ago. According to the United States Department of Commerce, in 1970 only 8% of women graduated from college, compared with 14% of men. In 1990, that figure had increased to 17.6% compared to 23% for men. The development of women's education participation increased by 4.8% while men increased by only 2.8%.

Women also delay marriage and childcare in order to work. A trend that began in the 1970s. The percentage of women aged 20 to 29 who are not married, on average, increased by 11.4% between 1980 and 1990 this has led to the increase in productivity that we are now benefiting from.

The impact of these two social trends is the increasing influence of women in the business world, especially small businesses. For many women, owning a business and creating their own work schedule is a way for them to reconcile the tension between personal obligations and the demands of a career. Between 1987 and 1996, the number of women-owned businesses increased by 78%. According to the National Foundation of Women Business Owners, women's businesses are growing twice as fast as men's. As a result of this extraordinary productivity and activity, these women-owned companies now employ more people than the 500 best companies selected each year by Fortune magazine.

The obstacles faced by women entrepreneurs are well known and most of them have experienced at least one of the obstacles below:

1. Access to capital

Access to capital has long been said to be the main obstacle for women to do business. Women tend to enter businesses in the service sector, which are slow-growing, have high risks (such as retail or food stalls and lodging), or are essentially difficult to finance.

2. Access to market

Understanding market potential and identifying customers and suppliers of goods are difficult items for micro and small companies. The participation of women in various government-supported trade missions is usually very small.

3. Access to information

Given that women-owned companies are generally small, it is difficult for them to access the information they need to develop themselves, learn about available alternative programs, or find alternative markets. Although technology is used to help convey information to women entrepreneurs, not everyone has access to such technology.

4. Access to training

In many cases, women's access to training that will help develop their homeland expertise is limited or difficult to obtain. Learning to manage finances, relationships with other people and business in general can help reduce risk for new or inexperienced entrepreneurs.

5. Access to policy makers There is no doubt that women have different approaches to policy issues. By bringing women entrepreneurs together, business associations can design and conduct action-oriented lobbies that can influence public policy, and help change discriminatory traditional practices.

At the global level, there are various factors that together provide opportunity but also greater uncertainty and complexity to our lives: political change, reduced trade barriers, information and

communication technologies are increasingly important, products and technologies are becoming increasingly out of date. , increasingly diverse products, the adoption of international standards for business, tourism and people's travel, the expansion of English as an intermediary language, more and more lifestyle choices, and the impact of massive international capital flows.

At the societal level, there are a number of factors that expose individuals to greater complexity and uncertainty; eliminating national boundaries, encouragement for public spending, privatization, deregulation, the creation of "markets" in public services, outsourcing services, business activities that increasingly involve government partnerships, new forms of governance involving non-governmental organizations, wider application of business methods in all areas of life, the implementation of standards and benchmarks, the greater impact of pressure groups in society, the legitimacy of various activities that were previously considered deviant, the diminishing role of religion, the greater concern for the environment, the greater the influence of women's rights and ethnic groups,

Finally, as a reflection of all of the above, an individual is faced with a work environment that offers greater income and uncertainty, greater possibilities for part-time and contract work, greater pressure to move around geographically. , greater pressure and more responsibility at work, and more mental stress (stress). In households, more and more people are divorced, become single parents, relate to many people, have reduced social security, design their own pension plans, have to take responsibility for owning goods and managing their debts and, as consumers,

If this scenario is projected into the future, it is clear that there will be a greater need for the various entrepreneurial behaviors, skills and traits described above. Furthermore, if there is a response related to values through education, it will be an analysis of a number of needs that must be met by looking further at the factors identified above, as well as to the pressures they cause on individuals and organizations. .

1. Create and apply a strong sense of individual ownership to activities and outcomes;
2. Follows feelings associated with freedom and self-control in doing things;
3. Maximize opportunities for everyone to accept responsibility for a long and integrated set of tasks;
4. Emphasizing the notion of responsibility to understand everything in its entirety;
5. Strictly focus the organization on defining its excellence in the eyes of stakeholders (in the case of schools: Students, parents, teaching staff, coaches, students' schools, colleges or universities, local communities, “competitors”, business communities, churches local government and business associations);
6. Encouraging teaching staff to develop their own stakeholder network in accordance with the prevailing strategy;
7. Relates rewards to the need to satisfy stakeholders and, thus, to school excellence;
8. Tolerating doubt (ambiguity) and allowing mistakes as the basis for the learning process;
9. Encouraging people to think strategically before drafting a formal plan;
10. Emphasizes the importance of personal trust and “know-who” as a basis for management, as opposed to formal relationships;
11. Avoiding overly tight boundaries and encouraging informal overlap among existing sections and groups as a basis for building a common culture;
12. Paving the way for learning on the job through staff development.

Conclusion

1. Almost all countries have some kind of women's organization to unite women entrepreneurs. In general, it includes matters such as: a. Raising the interests of women entrepreneurs and various issues that are important to them. b. Provide support and opportunities for members to network. c. Organizing education, training, and professional development. d. Organizing education,

- training, and professional development. e. Conduct effective lobbying and advocacy. f. Bringing together entrepreneurs and opening up business opportunities. g. Raising promotions and national and international cooperation.
2. Although the concept of business (enterprise) does not explicitly include industry, in business management and new ventures as well as the development of personal and social skills today, there is a growing awareness of entrepreneurship as a series of skills that need to be taught.
 3. Business success has nothing to do with age and the size of the capital. But the fruit of foresight to seize opportunities, action, tenacity and motivation.
 4. The open opportunity to work makes women appear to play two roles at once. So that nowadays we often find those who are career women, namely women who play dual roles as housewives to support their husbands to earn and as workers to find additional income.
 5. During this COVID-19 pandemic, there are many challenges that must be faced by career women. But they try to pass all these challenges well. When there are difficulties in family management, of course there is an effect on work, and vice versa. This is the most difficult thing that must be managed by a career woman. And at this time, career women have multiple roles, namely in addition to being women workers outside the home, being housewives, career women must also be able to become companion teachers for their children in online learning. So that career women are faced with the difficulty of dividing time in the same situation.

Suggestion

Womenpreneurs need guidance in the form of access to capital channels such as financial institutions, strong networking and opportunities to get involved in businesses occupied by men. So that it can change industry opportunities for skilled women's businesses. Women are also expected to be able to think innovatively in generating creative ideas and opportunities that will

be faced in this digital competitive era. Increasing the focus of introducing women's entrepreneurship programs which are still limited. Provision of various alternative entrepreneurship programs that are suitable for women's entrepreneurial backgrounds. As well as the role of relevant business associations along with women entrepreneurs, should be involved early in program identification and design. The recommendation for future research is to conduct research on the factors behind women doing entrepreneurship.

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CAPACITY ENHANCEMENT AND MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT THROUGH COOPERATIVE FINANCING

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Abstract

This research is aimed to find out effectiveness of cooperative as financial alternative source for MSMEs due to the lack of financial institution such as Banks that consider MSMEs in distributing financing and capital hence it is determined by how financing is obtained in increasing the business. The problems discussed are how to develop MSMEs through financing aspects of cooperative as one of financing alternative for micro, small, and medium enterprises. Therefore, it is expected that the existence of cooperative can make the capacity of MSMEs more developed especially in financing sector. As an informal business, MSMEs have two specific characteristics: First, they always involve great volume of products and the production process has a high risk, such as raw materials that can be obtained by having partnership with cooperative in order to get cheaper raw materials. These two specific characteristics come up as MSMEs, based on the current data, employ most labors for other activities in production and operation. In this research, qualitative methods were used. The approach used in this study was a normative approach through sample and data testing of cooperatives and several MSMEs as main data based on the current data.

Keywords: *capacity enhancement, MSMEs development, financing cooperative*

I. INTRODUCTION

MSMEs are the main pillar of the economy that dominates in Indonesia today. Therefore, MSMEs become the main supporter of the economy in Indonesia. It is ironic, when neighboring countries with smaller areas with Indonesia are able to develop MSMEs that are much better and can prosper the community, due to the large number of entrepreneurs in the country is different from Indonesia. Most entrepreneurs in Indonesia, only absorbed 4% of the total 270 million people.

Based on the financial crisis in 1998, that hit countries in Southeast Asia and the whole world, it was an era where Micro, Small and Medium Enterprises (MSMEs) were the pillars of the economy. The Government has not found any countermeasures, but after the financial crisis almost all institutions direct guidance to the MSMEs sector. MSMEs sector that is able to survive and become a survival in the midst of the currency crisis. In addition, in 2008 there was another financial crisis. However, this does not have an impact on MSMEs entrepreneurs in Indonesia because the character of MSMEs business is non-formal which has a very positive impact on entrepreneurs. This is due to the source of financing that still comes from the personal capital of entrepreneurs, so that entrepreneurs are not affected in the middle of the financial crisis.¹⁴

In the current era, capacity and business development of MSMEs entrepreneurs have problem such as: capital and financing, difficult in obtaining raw materials and the main problem faced by MSMEs are very complex. The productivity of MSMEs has decreased due to the low quality of human resources, especially for MSMEs in the field of business risk management, technical and marketing capabilities. MSMEs also face the problem of limited production resources, especially in the fields of technology, information and marketing with a limited reach. Therefore, most entrepreneurs on

¹⁴ Hadi Ismanto dan Tohir Diman, *Analisis Efektivitas Pemberian Pinjaman Program Pembiayaan Umkm Oleh Koperasi*, Jurnal *Economia*, Volume 10, Nomor 2, Oktober 2014, Hlm 149

very limited resources and even tend to still use conventional and traditional methods.¹⁵

MSMEs have the characteristics of an informal and flexible business. The use of capital at the beginning of the business is personal funds. In overcoming this, MSMEs must use the sales proceeds for production purposes (saving). However, the process is still very difficult to do because the results obtained from the sale are still limited. Therefore, the government needs to make efforts to be able to facilitate MSME financing through cooperatives, by providing capital and raw materials for sales. If the facilities from the government are evenly distributed, it can prosper entrepreneurs and society. Business cooperatives for MSMEs can be a solution for society especially entrepreneurs.

MSME business financing through koperations can increase the growth and equity of the people's economy , so it is necessary to increase MSMEs by becoming a member of a cooperative . This serves as a liaison for funds from outside to the MSME sector (MSME Finance Approach), thus the effectiveness of the MSME financing sector is loans provided for production and sales activities . [3] Accordingly because it , are expected to provide potential so that the failure of a program can be minimized.

Program can walk comprehensively (in the use and repayment of credit) between member businesses of SMEs and the involvement of institutions. The operation of the procurement of raw materials and the prepaid sales cooperative has an impact on increasing business capacity and business development for MSMEs. After the financing is disbursed, the existence of cooperatives as a place to conduct business development and marketing of MSME products. Thus to consider the feasibility of a cooperative that will be involved, so that SMEs are really capable heading bankable .

Based on the above explanation, the authors conclude that the importance of a fund and the relationship between business management and organizations has a very positive and significant

¹⁵Pitter Leiwakabessy dan Fensca F. Lahallo, J-DEPACE (*Journal of Dedication to Papua Community*), Journal of Community Service Victory Sorong University, Vol. 1, No. 1, Dec. 2018, Pp 11 - 21

influence on non-financial business performance. Aspects of the relationship between business management and organizations are the aspects that have the most influence on the performance of MSMEs and cooperative.

In this research will be researched about the role of cooperative financing for business capacity building and msme development. The specification of this research is descriptive analytical because after performing a transcribed on various aspects of financing from cooperatives for MSMEs, this research will describe various problems for MSMEs obtained through an inventory of data from various sources. Then qualitative juridical analysis is carried out, which is¹⁶ to compile existing data systematically to be further analyzed, namely the results obtained are realized in the form of a specific description.¹⁷

II. DISCUSSION

CAPACITY BUILDING AND DEVELOPMENT OF MSMES THROUGH COOPERATIVE FINANCING

The helplessness of MSMEs is increasingly in the capacity of financing, in addition, the lack of supporting infrastructure is not only limited to infrastructure and physical facilities, but has an even more important function, namely the financing function in order to increase business capacity to grow. The government's desire to create the welfare of all members of the community in the form of economic empowerment of the people through the strengthening of MSMEs has been realized since the beginning of the independence period. For this reason, various economic development programs have been carried out through several programs, although until now there is still a group of people who belong to the poor category. Not optimal success of economic development from one regime to another, it seems inseparable from the basic conception of economic development that has not fully prioritized the interests of people's economic empowerment. Indicators of these conditions

¹⁶Sugiyono, *Understanding Qualitative Research*. Bandung : CV Alfabeta, 2005, Hlm 34

¹⁷ Afifuddin and Beni Ahmad, *Qualitative Research Methodology* Bandung : Setia Library, 2009, P. 7

include the increasingly shrinking role of cooperatives in economic development, even some economists now even question whether cooperatives are institutional alternatives to empower MSMEs, or just one solution.

Increasing the business capacity of MSMEs through Cooperatives is one of the alternatives to MSMEs to be able to continue to carry out their business activities. Because considering the limitations of capital that is the main concentration so that the role of cooperatives in terms of financing has been answered where cooperatives can provide financing to members¹⁸ who come from MSMEs who are involved to become members so that MSMEs can increase business capacity so that their business can become even greater without the need to think about capital limitations.

Lending or financing to MSME actors, either directly or through intermediaries, is a form of the implementation of the function and role of cooperatives as an instrument of government policy in the field of financing to MSMEs, increasing access to financing for MSMEs, in order to increase business and competitiveness of products that will be resulted in. In discussing the opportunity for cooperatives to become alternative institutions in the empowerment of MSMEs also need to be studied the relationship between cooperatives and their members who are dominated by MSME actors. Seeing the importance of cooperatives for the development of UMKM throughout Indonesia.

In addition, cooperative financing management whose members are partly from MSME actors must also be considered because in this case MSMEs need capital to carry out Production Activities or even marketing management so that with special management for MSME members can move the economic situation in a certain area so that there is no longer a lack of capital for infrastructure or development of the MSME sector in the area. The important impact of access to financing, especially rural areas, can improve human well-being through the use of new technologies

¹⁸ Lukmanul Hakim and Eka Travilta Oktaria, *Legal Aspects and Cooperative Functions as the embodiment of the economy*, CV. At-tirmidhi Library, Lampung, 2018, Pp.

that add to high productivity, increased income, consumption and calories and *human capital* by providing better education.¹⁹

The contribution of MSMEs to development per economy in Indonesia cannot be underestimated. The levy of MSMEs on the absorption of employment in the national economy, gross domestic product (GDP), and flexibility and resilience to deal with long-term economic crises are of the utmost importance. This situation makes MSMEs as the main support and hope for improvement of the national economy in times of crisis. While the number of MSMEs based on data from the Ministry of Cooperatives and SMEs in 2018 reached 90% of the total number of Indonesian companies. From 2018 to 2019, the contribution of MSMEs to Indonesia's GDP was higher than the contribution of large businesses.

But the contribution of MSMEs still requires attention in the financing sector considering that MSMEs are as hope in supporting the economy when the crisis has been proven when it hit Indonesia in 1998 and 2008, even in 2020 in the midst of the MSME pandemic can still rise amid the economic downturn although many MSMEs are still affected by the pandemic but can still survive and rise amid the economic downturn of Indonesia and even the whole world.²⁰

The capital or financing aspect is a very important aspect for MSME business actors, considering that in the efforts to develop and increase business capacity for MSMEs requires aspects of financing so that amid the difficulty of competing in the current global era MSMEs continue to grow and develop and even be able to sell goods by exporting local products abroad.

The number of financing programs for MSMEs today but there are still many MSMEs that have not been touched by financing so that they still use personal capital or can be said to be independent capital or many who get loans from friends, relatives or family, especially in developing businesses. Even business people often get

¹⁹ Lukmanul Hakim, Etty Mulyati, Djuhaendah Hasan, Tarsisius Murwadji, Legal Aspects of Micro Business Development Institutions in State Purpose of Welfare, Volume 14 Number 3, July-September 2020 : pp. 247-260. Copyright © 2020 FIAT JUSTISIA. Faculty of Law, Universitas Lampung, Bandar Lampung, Indonesia. ISSN: 1978-5186 | e-ISSN:2477-6238 Hlm 248

²⁰ Wardoyo, *Microcredit Business Management and Development Model of Kesuma Tiara Citizens' Cooperative*. Gunadarma Economic Journal. Jakarta 2003.

loans from middlemen or loan sharks to be able to advance their business even with very high interest and even very high risk for business people. In addition, some digital financing such as online loans or peer to peer lending also still has high interest rates. Although access to fast financing carried out by these two financing is relatively quickly obtained by business actors but the risk of default is still often a fear for business people who experience default.²¹

If you need an injection of capital from outside parties, then the provider of funds other than the bank plays an important role. For example, a People's Credit Bank or a money lender. We also know that the interest charged to borrowers is high and suffocating. Obviously, this doesn't apply to large companies.²²In the midst of difficult access to capital or financing for MSME business actors there is one alternative financing sector that is very safe, fast and efficient for MSME business actors in particular or the community, namely financing through cooperatives. Cooperative is a financial institution that has a role and contribution where the cooperative is a competent financial institution and can be one of the financing plans.²³

Cooperatives and MSMEs are one form of community economic business, in terms of increasing employment opportunities, sources of income, rural economic development, and non-oil and gas exports, business groups have made a very large contribution to the Indonesian economy. Indonesia has a large number of MSMEs and cooperatives and operates in various economic sectors throughout Indonesia.²⁴This is because the

²¹ W Hadipuro, Review of the Success of Small medium Enterprise Partnership Policy (Development of Policy Evaluation Methodology in The People's SugarCane Intensification Program)." *Journal of Development Economics*, Vol 5 No. 2 of 2000, p2

²² Asmara, The Rate of Return on Community Productive Economic Fund Loans and the Role of Financial Institutions in the Coastal Community Economic Empowerment Program in Indramayu Regency. *Journal of Agribusiness*, Vol. 4 No. 1 of 2007: Pp. 22-31.

²³ Tarsisius Murwadji, "Education and Cooperative Health Through Linkage Banking Program". *PADJADJARAN Journal of Legal Sciences* 4, No. 3 (2017), <https://doi.org/10.22304/pjih.v4n3.a2>.

²⁴ Saparuddin and Basri Bado, Influence of Business Partnerships on Business Performance in SMEs and Cooperatives in Jenepono Regency of South Sulawesi, *Jurnal ekonomsains*, Vol IX No. 2 August 2011.Hlm 161

government makes cooperatives as an alternative financial institution for MSMEs and institutions that are directly owned by the community in their region, thus making cooperatives as a tool to improve the economic capabilities of the community.

The special problem facing cooperative empowerment is not yet extensive if you see the understanding of cooperatives as business entities have an institutional structure and incentive mechanism. This is unique when compared to other business entities. In addition, there are many people who do not understand the right principles and approaches in cooperation. Cooperatives and MSMEs also face challenges mainly due to the speed of economic globalization development and simultaneous trade liberalization as well as rapid technological progress.²⁵

The government continues to work hard to empower MSMEs through the role of Non-Bank Financial Institutions such as Cooperatives in the development of the physical industry. However, the role of cooperatives in achieving the best results in meeting economic development needs and poverty reduction is still very far from ideal. While banking credit needs to be changed through linkage programs through Cooperatives that were originally designed to empower MSMEs, institutional and group development. Useful to improve the performance of MSMEs so that a comprehensive institutional system is needed to be established to reduce the number of institutions involved and types of microfinance including KUR, so that coordination becomes easy through cooperatives expected in accordance with the government's plan so that it can be properly allocated according to targets and enjoyed by all MSMEs.²⁶

Based on the above explanation, the author concluded that the government has a planning for the empowerment of MSMEs through financing aspects through non-bank financial institutions such as cooperatives to be able to provide coaching and financing

²⁵ K. Jiri, Reinforcement of Succes of Strategic alliance of Small and Medium Enterprices in Chez Republik." *Journal of VADYA MANAGEMENT*, Vol. 3-4 2006, pp. 45-57

²⁶ Adi P and Rachmadi, Grounding the Operations of Large Companies in Indonesia through a Pattern of Partnerships with SMEs, an Alternative Of Thought." *Journal of Business Management* Vol 1, No. 2 of 2008. Hlm 3

for MSME business actors in particular as one of the alternatif aspects of capital or financing so as to make MSME business actors can become businesses that grow and develop better. In addition, it is more profitable for MSME business people in carrying out their business and do not need to worry about default because it is in accordance with family principles in providing financing in particular.

III. CLOSING

Based on the discussion above, the conclusions that the author obtained are as follows:

The Contribution of Cooperatives as One of the Financing Alternatives to Increase MSME Capacity through planning the empowerment of MSMEs through the financing aspect through non-bank financial institutions such as cooperatives to be able to provide coaching and financing for MSME business actors in the specialy as one of the alternative aspects of capital or financing so as to make MSME business actors can become businesses that grow and develop better. In addition, it is more profitable for MSME business people in carrying out their business and do not need to worry about default because it is in accordance with family principles in providing financing in particular.

Forthe development of small and medium enterprises so as to increase the capacity of the formal sector and certain ways, namely the need to synchronize the cooperative financing system to be more effective with several patterns such as executing patterns or channeling through qualifying procedures and minimal requirements so that MSMEs can be implemented in an orderly manner to create opportunities for msme improvement. In the same measure cooperative financing can be said to be very effective (use, quality and welfare) so that it is still needed to continue to develop micro, small and medium enterprises, especially in capacity building so that MSMEs can continue to rise in class.

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ANALYSIS OF UNACCEPTABLE LINKS DUE TO FORMAL DEFECTS IN APPEALS IN MSME BUSINESS AGREEMENTS THAT HAS BEEN GRANTED

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ABSTRACT

Nowdays, there are many legal problems that occur in society with the main problem, namely land, which is specifically related to grants. The provision of grants often creates conflicts between the heirs and the grantees. Problems: how the Judge's consideration in the lawsuit cannot be accepted due to formal defects in the appeal case against the inheritance that has been granted and how the legal consequences of the lawsuit cannot be accepted due to formal defects in the appeal case against the inheritance that has been granted. Juridical normative and empirical research methods, using secondary and primary data, obtained from library research and field studies, and data analysis with qualitative juridical analysis. the Judiciary in giving legal considerations in matters of heirs that have been endowed should be careful and thorough, if wrong in giving legal considerations will be detrimental to the parties, but in this case the legal considerations made are correct and meet the element of justice, because in its consideration based on the facts revealed in the law and legal regulations that apply and is expected to the public in the matter of heirs who have been donated more carefully and follow the rules of law, thus minimizing the possibility of disputes due to disputes of heirs has been donated by one of the parties.

Keywords: Unacceptable Lawsuit; Formal Defects; business agreements; MSME; Grant.

a) INTRODUCTION

In this present era, there are many legal problems that occur in society with the main problem, namely land which is specifically related to grants. The problem that often arises due to grants is the lack of a Grant Deed that is owned by the grantee from the grantee which then raises a dispute between the family of the grantee and the recipient of the grant, especially the object being granted is a piece of land. The land grant should have strong or valid evidence in this case the Grant Deed. In the end, all land conflicts will lead to the judiciary, if in a deliberative settlement agreement is not reached between the disputing parties, disputes over land ownership rights obtained because the grant already has a certificate of title to land.

Every civil case examination in court must be pursued for peace and mediation itself is an extension of peace efforts. Mediation will bridge the parties in resolving dead-end problems in order to achieve/obtain the best solution for them²⁷.

The Indonesian government is trying to increase agreements with strategic trading partner countries, both through ASEAN and bilaterally. In the end, the establishment of international trade agreements became the main thing that was sought by the Directorate General of International Trade Agreements (Ditjen PPI) of the Ministry of Trade of the Republic of Indonesia (Kemendag RI) as the spearhead in the negotiation process. In 2018, MSME actors in Indonesia covered around 99% of business entities in Indonesia with a contribution of around 61%.

of GDP current prices. So far, MSMEs, which in 2018 accommodated around 97% of Indonesian workers, have proven to have excellent survival skills in the face of various economic turmoil²⁸.

²⁷ Moh. Nafri, *Efektifitas Mediasi Dalam Perkara Pembagian Harta Bersama Akibat Perceraian Di Pengadilan Agama Palu Kelas I A*, Maleo Law Journal Volume 3 Issue 2 Oktober 2019, page 189

²⁸ Basuki, Surjadi. "Pemanfaatan perjanjian perdagangan internasional melalui pemberdayaan UMKM oleh FTA Center Jakarta periode 2018-2019." *Riau Journal of Empowerment* 3.3 (2020): 149-160.

Based on the background description above, the author is interested in conducting research as outlined in the form of a journal with the title: Lawsuit Analysis is unacceptable due to a formal defect in the appeal case against inherited assets that have been granted. With the following problems, how the Judge's consideration in the lawsuit cannot be accepted due to formal defects in the appeal case against the inheritance that has been granted. How can the legal consequences of the lawsuit be unacceptable due to formal defects in the appeal case against the In MSME Business Agreements that has been granted?

b) RESEARCH METHODS

The research method used in this research is a normative juridical approach and an empirical approach and uses sources and types of data. Approach the problem by referring to the problems contained in this journal research. Data is a source of information needed in conducting a research which comes from various sources. Data sources consist of secondary data and primary data. In order to complete the testing of the results of this study, data collection procedures were used which consisted of Library Research, namely data collection was carried out by conducting library research. Literature study is intended to obtain a direction of thought and research objectives carried out by reading, quoting and reviewing supporting literature, legislation and other scientific reading material that has a relationship with the issues to be discussed. As well as field studies (Field Research), namely the collection of field studies (Field Research) carried out in 2 (two) ways, namely observation (Observation), namely the collection of data directly on the object of research to obtain valid data by making direct observations in accordance with the problem. Interview (Interview), namely data collection by conducting interviews (interview) directly with the tool a list of open questions with informants related to the problem.

c) RESULTS AND DISCUSSION

1. The Judge's Consideration in the Lawsuit cannot be accepted Due To Formal Defects In Appeals InMSME business agreementswhich has been granted

According to Handri Rahardjo, law is a set of rules in the form of written and unwritten regulations that regulate human behavior in society, as a nation and as a state made by the ruler (authorized party), is compelling and binding, contains prohibitions and orders must be obeyed and there are strict sanctions for violators (criminal, civil, administrative) and aim to achieve security, order and justice.²⁹

Law as a means of renewal in a developing society can also be detrimental, so it must be carried out with care. The use of law must also be linked to aspects of sociology, anthropology and culture. The role of law in development is to ensure that changes occur in an orderly manner, the law plays a role through statutory assistance and court decisions or a combination of the two.³⁰

One part of the rules or laws described above is the Civil Law and Civil Procedure Law. Civil Law and Civil Procedure Law are inseparable from an act taken by the parties to bind themselves to a promise or pledge where the promise aims to obtain legal certainty.

According to WirjonoProdjodikoro, Civil Law is all legal regulations that regulate legal relations between one person and another. Based on the understanding put forward by the experts above, there are several elements and definitions of Civil Law, namely the existence of legal regulations, legal relations and people. Legal regulation means a series of provisions concerning order, both written and unwritten, which have strict sanctions against the violator, Civil law stipulates that in relationships, people must submit to anything and what rules they must obey. In addition, the Civil Law gives authority on the one hand and on the other hand

²⁹ HandriRahardjo. 2009. *Hukum Perjanjian di Indonesia*. Pustaka Yustisia, Jogjakarta, page. 3.

³⁰ Mochtar Kusumaatmadja. 2012. *Teori Hukum Pembangunan-Eksistensi dan Implikasi*. Epistema Institute, Jakarta, page. 6.

imposes obligations. In this case what is meant by "law" is the whole rules, while "right" is the authority arising from the rules.¹⁹

The law of inheritance is regulated in Book II of the Civil Code, together with objects in general. This is due to the view that inheritance is a way to obtain property rights is actually too narrow and can lead to misunderstanding, because what is transferred in inheritance is not only property rights, but also other material rights (property rights) and in addition to obligations. -the obligations included in the Law of Wealth.³¹

Amir Syarifuddin formulated inheritance law as all the rules governing inheritance, determining the extent and how the legal relationships of a person who has passed away are transferred to another person, and thus it can be passed on by his descendants.³²

EmanSuparman stated that inheritance law is the provisions governing the transfer of inheritance from a deceased person, to an heir or more.³³

R. Soebekti argues that the law of inheritance is a law that regulates what should happen to the assets of a person who dies. Meanwhile, the inheritance law according to Wirjono Prodjodikoro is the rights and obligations regarding a person's wealth when he dies will be transferred to other people who are still alive.³⁴

Based on the description above, it can be seen that the law of inheritance is a collection of rules governing the law regarding property, due to the death of a person, namely regarding the transfer of wealth left by the dead and the consequences of this transfer for people who gain both in the relationship between them, as well as in their relationship with third parties.

¹⁹WirjonoProdjodikoro. 1998. *Hukum Acara Perdata*. Sumur Bandung, Bandung, hlm. 9.

³¹ C.S.T. Kansil. 2006. *Pengantar Ilmu Hukum dan Tata Hukum Indonesia*. Balai Pustaka, Jakarta, page.143.

³² Amir Syarifuddin. 1999. *Pelaksana Hukum Waris Islam dalam Lingkungan Minakabau*. Gunung Agung, Jakarta, page. 9.

³³ Eman Suparman. 2011. *Hukum Waris Indonesia dan Perspektif Islam, Adat dan BW*. RefikaAditama, Bandung, page.12.

³⁴Wirjono Prodjodikoro. 1994. *Hukum Warisan di Indonesia*. Sumur Bandung, Bandung, page. 68.

Grant means giving, namely giving someone to his family, colleagues or to people who are in need of their assets during their lifetime.³⁵

According to Darwin Prints explained that the Judge's decision was a statement which by the Judge, as a state official who was authorized to do so, was uttered in court and aimed to end or settle a case or dispute between the parties. Furthermore, according to Sudikno Mertokusumo, said that the Judge's decision is a statement which by the judge, as a state official who is given the authority to do so, is pronounced in court and aims to end or settle a case or dispute between the parties.

Based on Article 178 HIR paragraph (2) which states that "the judge is obliged to try all parts of the claim". Judges as court organs are considered to understand the law, justice seekers come to him to ask for justice. If the judge does not find written law, then he is obliged to explore unwritten law to decide a problem based on law, as a wise profession and fully responsible to God Almighty, himself, the nation and the state.

The fairest court decision is something that the parties to the dispute really want. With this court decision, the disputing parties expect legal certainty and justice for the dispute at hand. In this case the verdict is not only an oral statement, but also a statement in written form which is pronounced by the judge during the trial. In the case of such a decision, the provisions of the HIR, in particular Article 178 paragraph (3) of the HIR, prohibit the judge from ruling on disputes that are not being prosecuted or grant more than what was charged.

The role of MSMEs is an important part priority in every plan managed stages of development Ministry of Industry and Trade and the Ministry of Cooperatives and SMEs. Will but the development efforts made the results are not satisfactory because in fact, the progress of MSMEs is very small compared to the progress made by big business³⁶.

³⁵ Abdul Manan. 2003. *Aneka Masalah Hukum Perdata Islam di Indonesia*. Kencana Prenada Media Group, Jakarta, page. 113.

³⁶ Kurniastuti, Ari Ratna. "Perlindungan Hukum Usaha Mikro Kecil Menengah (Umk) Dari Dampak Adanya Perjanjian Asean-China Free Trade Area (Acfta)." *Arena Hukum* 6.2 (2013): 185

As a result of the lawsuits cannot be accepted due to formal defects In MSME Business Agreements that have been granted

Against the verdict of the lawsuit is rejected, causing a legal consequence that the claim can be filed again by the plaintiff. In cases where the lawsuit cannot be accepted due to formal defects in the appeal case against the inheritance that has been granted, of course the Plaintiff will be harmed, because the case has been decided and the plaintiff is the losing party, therefore cannot file a new lawsuit again (*nebis in idem*).

The arguments of his lawsuit or is formally flawed, the legal consequence that he must bear for failing to prove the arguments of his lawsuit is that the lawsuit cannot be accepted. So, if a lawsuit cannot be substantiated by the claim that the defendant deserves to be punished for violating the things stated in the lawsuit, then the lawsuit cannot be accepted..

Against the verdict of the lawsuit is rejected, causing a legal consequence that the claim can be filed again by the plaintiff. In cases where the lawsuit cannot be accepted due to formal defects in the appeal case against the inheritance that has been granted, of course the Plaintiff will be harmed, because the case has been decided and the plaintiff is the losing party, therefore cannot file a new lawsuit again (*nebis in idem*).

Comprehensive Economic Co-operation between the Association of South East Asian Nations and the People's Republic of China as The ACFTA agreement is one of the international treaty form. although there are some agreements with smaller areas, e.g. The North American Free Trade Area (NAFTA) between America, Canada and Mexico, but there is also an agreement that regional like The Asia Pacific Economic Cooperation (APEC) International treaties formulated as an agreement between two or more subject of international law, namely the state, holy throne, liberation group, organization international about a particular object formulated in writing and subject to or governed by law international.

International treaties between countries with regulated international organizations in the Vienna Convention on the Law of Treaties between States and International

Organizations or between International Organizations (Done at Vienna on 21 March 1986) hereinafter referred to as the Convention Vienna 1986. In this convention the way creation, take effect and how to apply i.e. attestation is also set in it. Based on the 1986 Vienna Convention ratification is defined as ratification.

According to Article 2(1)b of the 1986 Vienna Convention ratification is ratification, action formal confirmation, acceptance, approval and accession. There is an agreement that must through ratification to be declared applies and some applies without through ratification requirements usually expand valid at the time of signing, which in the agreement formulated in writing: "The present agreement shall come into force on the date of its signing". Writing that when translated into

Indonesian means "This Agreement is Commencement" effective on the date of signing", so that if an international agreement include this then since the agreement is signed then immediately valid to apply in a country that has signed³⁷.

Indonesia has laws which specifically regulates the agreement international law, namely Law no. 24 Year 2000 About the International Treaties it also regulates the approval international treaties into law National. Article 3 of Law no. 24 Year 2000 Regarding International Treaties states: The Government of the Republic of Indonesia binds itself to international treaties through: in the following ways: (a) Signatories; (b) endorsement; (c) exchange of documents diplomatic agreement/note; (d) other ways as agreed by the parties in international agreement.

ACFTA Agreement Status in the system Indonesian law is valid because the first few reasons this agreement has gone through 3 stages, namely negotiation, signing and ratification. The second though in the Presidential Decree its ratification only makes an agreement This ACFTA annex stated cannot be separated and considered half-hearted transformation or confession stealthy

³⁷ Damos Dumoli Agusman, *Hukum Perjanjian Internasional (Kajian Teori dan Praktik Indonesia)*, Refika Aditama, Bandung, 2010, page. 69.

incorporation but it can still be considered valid because it is true that Indonesia is following transformation, incorporation at once³⁸.

ACFTA agreement is declared valid in Indonesia so that it has become 'law' for those who make it including Indonesia. The ACFTA Agreement ratified by Presidential Decree, it turns out to have broad impact, local industry in particular MSME.

The reason of a result to the lawsuits cannot be accepted due to formal defects in MSME Business Agreements that have been granted. This is in accordance with Article 27 1986 Vienna Convention on Law International Agreement, namely "A party may not invoke the provisions of its national law as justification of its failure to perform a treaty", which means that one of the parties may not make provisions in its national law as a justification for his failure to carry out an international agreement.

Conclusion

Based on the results of discussion and research on the problem, it can be concluded as follows:

The reason of a result to the lawsuits cannot be accepted due to formal defects in MSME Business Agreements that have been granted. This is in accordance with Article 27 1986 Vienna Convention on Law International Agreement, namely "A party may not invoke the provisions of its national law as justification of its failure to perform a treaty", which means that one of the parties may not make provisions in its national law as a justification for his failure to carry out an international agreement.

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³⁸ *Opcit*

- Handri Rahardjo. 2009. *Hukum Perjanjian di Indonesia*. Pustaka Yustisia, Yogyakarta.
- Mochtar Kusumaatmadja. 2012. *Teori Hukum Pembangunan-Eksistensi dan Implikasi*. Epistema Institute, Jakarta.
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DEVELOPMENT AND DIGITALIZATION OF MSMES IN ORDER TO STRENGTHENING THE MSME ECOSYSTEM IN INDONESIA THROUGH SUPPORT OF THE COPYRIGHT LAW

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Abstract

The Job Creation Law is believed to be able to increase public interest in opening a business, especially for micro, small and medium enterprises (MSMEs), because it creates convenience in licensing. The Job Creation Law also encourages the strengthening of the MSME ecosystem and e-commerce through various kinds of facilities. These include licensing, certification, financing, market accessing, training, digital infrastructure, implementation of electronic systems and transactions, as well as the business climate in the e-commerce sector. During the pandemic, MSMEs are required to continue to adapt and transform, including digital transformation. The development of digital MSMEs during the Covid-19 pandemic can be an alternative for developing MSMEs in the era of the digital economy. Efforts to prioritize the integration of MSME development policies from various stakeholders can answer the problems and challenges faced by MSMEs in Indonesia, including assistance, licensing, certification, product innovation, financing, export market access, partnerships in industrial supply chains and global value chains, consolidation of logistics management, as well as digitalization to prepare future MSMEs. Consequently, synergy between MSMEs,

the government and other supporting stakeholders is needed to ensure that the MSME digital transformation process can run perfectly.

Keywords : MSMEs, MSME Digitization, Job Creation Law.

I. PRELIMINARY

MSMEs are productive business units that stand alone, these productive businesses can be carried out by individuals or business entities in all economic sectors. The distinction between micro-enterprises, small-scale enterprises, medium-sized enterprises, and large-scale enterprises is generally based on the initial asset value (excluding land and buildings), the average annual turnover, or the number of permanent workers. However, the definition of MSMEs based on these three indicators may be varied in every country. Therefore, it is indeed difficult to compare the importance or role of MSMEs between countries.³⁹

Indonesia, which is still at the level of a developing country, is actively building the economy through MSMEs. Various kinds of policies are made by the government to continue to encourage the growth and development of MSMEs. In the context of developing MSMEs as a strategic strength to accelerate regional development, first, the potential for developing MSMEs in the regions is very large. Second, the development of MSMEs must be carried out in accordance with the local culture and the potential of the region concerned. Third, the MSME sector plays a very important role in solving the social problems in areas with a very high engagement of labor. Fourth, the role of increasing human resources, utilization of technology, access to capital, access to marketing, access to information, and management are very important in developing micro-enterprises. Fifth, natural resources and human resources as well as world markets that are increasingly open in the global era

³⁹Tulus Tambunan.2012.Micro,SmallandMediumEnterprisesinIndonesia:ImportantIssues.Lp3 es.

have great potential if they are managed effectively in the form of partnerships.⁴⁰

In its development, MSMEs, including cooperatives, are faced with problems related to MSME criteria, a single database, collaborative processing, partnerships, licensing, fiscal incentives and financing and the division of government affairs in the MSME and cooperatives sector so that in its implementation it is still not effective and efficient. Regarding the conditions faced, it is hoped that there will be a transformations related to the regulation of the MSME Law. The things that are needed are in terms of the MSE criteria, a single database, collaborative processing partnerships, licensing, fiscal incentives and financing as well as the division of government affairs in the MSME sector.

The MSME sector in Indonesia is considered capable of surviving an unstable economic situation. In the 1998 economic crisis, for example, the growth of the manufacturing and service sectors stopped due to the crisis. Along with the stagnation in the growth of these sectors, the role of MSMEs from the informal sector is as a "safety net" because workers affected by layoffs (PHK) from the formal sector switch to the informal sector. Unfortunately, the strategic role of MSMEs is not balanced with policies to protect MSMEs from the risks and vulnerabilities they face, so the impression that continues to emerge is that the MSME sector is underdeveloped in Indonesia.

The factors that influence the underdevelopment of MSMEs in Indonesia are: first, internal weaknesses related to management capacity; second, the lack of infrastructure that bridges MSMEs with sources of capital, training, technology, and management; and third, the pattern of exploitative relationships in the upstream-downstream chain of MSMEs. Various laws that regulate investment and MSEs are faced with several problems, specifically: 1. It is not suitable for the era and the development of community needs; 2. There is disharmony or overlap between laws and regulations because of investment arrangements, MSEs which are regulated in

⁴⁰ Abidin, Abdullah. 2008. "Development of Micro, Small and Medium Enterprises (MSMEs) as a Strategic Strength in Accelerating Regional Development." *AKMENS Scientific Journal* 5, no. 4.

various laws. The various laws and regulations are not a little disharmonized or overlapping. So that the existence of these various laws turned out to be the cause of the problem of the complexity of the business process in Indonesia which in the end became an obstacle to field creation. 3. The regulations are already exist but are insufficient so that their enforcement power is weak.

II. DISCUSSION

Government Alignments to MSME Actors through the Job Creation Law

Based on the data from Ministry of Cooperatives and MSMEs, it shows that 62 million or 99% of businesses in Indonesia are MSMEs with a workforce absorption of 97%. This situation illustrates that the business-scale landscape in Indonesia is the MSMEs in majority. However, with such a large number of business units, MSMEs are considered unable to push the level of community welfare, especially the lower middle class, to a higher level. This is of course a special concern because the majority of Indonesian people depend on MSMEs. For this reason, efforts to develop MSMEs must be prioritized.

The enactment of Law Number 11 of 2020 concerning Job Creation, which is a comprehensive law, where the Job Creation Law regulates new provisions and/or changes existing provisions in existing sectoral laws. The purpose of the enactment of the Employment Creation Law is to encourage the widest possible absorption of Indonesian workers through regulatory changes related to the convenience, protection, and empowerment of cooperatives and micro, small, and medium enterprises (MSMEs). As stated in the preamble to the Job Creation Law which reads: “regulations relating to the convenience, protection, and empowerment of cooperatives and micro, small, and medium enterprises, improvement of the investment ecosystem and acceleration of national strategic projects, including increasing protection and welfare of workers spread across the globe. Various sector laws are currently not able to meet the legal needs for acceleration of work creation so that changes need to be made.”

One of the main substances of the Job Creation Law is the harmonization of various regulations and rules, as well as simplification and convenience in the licensing system. The licensing system, which previously seemed unintegrated, less harmonious, tends to overlap and is sectoral in nature, is now simpler, easier and creates service certainty for the community and the business world. After the implementation of the Job Creation Law, the licensing sector has adopted a system that uses a risk-based approach. Thus, businesses that have low risk simply need to register which will subsequently get a Business Identification Number (NIB).

The Job Creation Law is believed to increase public interest in opening a business, especially for micro, small and medium enterprises (MSMEs), because it creates convenience in licensing. The Job Creation Law also encourages the strengthening of the MSME ecosystem and e-commerce through various kinds of facilities. These include licensing, certification, financing, market accessing, training, digital infrastructure, implementation of electronic systems and transactions, as well as the business climate in the e-commerce sector. Meanwhile, businesses with medium risk must meet the standards expressed in the Norms, Standards, Procedures and Criteria (NSPK), and for businesses with high risk, must meet the requirements and use certain permits. Each level of business risk is determined based on the parameters of various aspects, especially in the terms of Health, Safety, Security and Environment (K3L) risks.

With these changes and improvements in business licensing, MSME entrepreneurs will get various conveniences and no longer experience a complicated and burdensome process. The Job Creation Law freed the licensing fees for micro-enterprises, while small businesses were granted waivers. In addition, halal certification for MSMEs is also free of charge. The government also gives priority to products and services for MSMEs and cooperatives at least 40% in the procurement of government goods and services. The Job Creation Law shows the government's alignment with MSME actors as the driving force and backbone of the Indonesian

economy. MSMEs are proven to be businesses that have the highest resilience, especially when facing a situation of global economic uncertainty and the difficulty of the national economy. The government helps the integrated management of MSMEs through the synergy of the central, regional and related stakeholders. Furthermore, the government can also provide assistance in the form of management support, human resources, budget and infrastructure.

In the preamble of the Job Creation Law, it is stated that the provision of facilities, protection, and empowerment of MSEs is placed at the front line together with cooperatives, including increasing the protection and welfare of workers. There is a special chapter that describes a number of conveniences for MSMEs, to be specific Chapter V, for example, from Article 87 to Article 104. The government has also followed up the Employment Creation Act with the issuance of implementing regulations in the form of Government Regulation Number 7 of 2021 concerning Ease, Protection, and Empowerment of Cooperatives and Businesses. Micro Small and Medium. Substantially, the regulation contains provisions for convenience for MSME actors in Indonesia in order to grow new entrepreneurs, integrate MSMEs in the Global Value Chain, and encourage MSMEs to advance to class.

In the PP, specifically Article 48 paragraphs (1), (2), and (3) which regulates legal protection for MSMEs which reads "(1) The central government and local governments are obliged to provide legal assistance and assistance services to Micro and Small Business actors. Small Business, (2) Legal assistance and assistance services to micro and small business actors as referred to in paragraph (1) are free of charge, (3) Legal assistance and assistance services include, legal counseling, legal consultation, mediation, and assistance out of court."

The Role of the Job Creation Law in the Digitization of MSMEs

The Covid-19 pandemic since 2019 has indirectly driven new changes in Indonesia's business style. The change is the switched from offline business to digital business which is also known as the phenomenon of digital entrepreneurship. Social media and market places (intermediaries) which can be a concept to make it easier for MSME actors to get wider marketing access. The Covid-19 Impact Survey on Business Actors by BPS noted that out of 15 out of every 100 companies tend to diversify their businesses during the pandemic. Online trading trends are also helping MSMEs to survive and grow during the pandemic. The World Bank (2021) states that 80% of MSMEs connected to the digital ecosystem have better resilience.

Cooperatives and MSMEs are currently still facing obstacles to become Impressive Cooperatives and MSMEs are advancing. Among them, the lack of public interest in cooperatives, not digitizing cooperatives, lack of transparency, and weak human resources are the obstacles faced by MSMEs to advance to class. Not to mention the problem of the number of permits that must be fulfilled by UMK actors such as SIUP, IUMK, NIB, and IUI. This causes the entrepreneurship ratio in Indonesia to only reach 3.5%. Improving the quality of MSMEs in Indonesia is a must, considering the role of MSMEs plays an important role in strengthening the economy, namely as a fundamental pillar and economic support. For this reason, efforts to develop digital MSMEs are the key to national economic recovery. In this case, the Government has also committed to encourage the digitization of traditional/offline MSMEs and provide convenience for MSMEs that have been digitized.

Business activities in Indonesia are largely dominated by the community through the framework of the Creative Economy and Micro, Small and Medium Enterprises. The selection of this frame is because the concept is simple and affordable, especially for the lower middle class. Nevertheless, Creative Economy players and MSMEs must also keep up with the times so as not to lose to big companies and be able to compete in a tight and competitive

market. For this reason, they must adapt to their digital presence using the internet and virtual or digital media. Community empowerment through science and technology digitalization of Village MSMEs is very important to do in the current information age.⁴¹

Citing the study of Chayapa & Cheng which states that there are several factors that influence a person's decision to shop online, namely;

1. Comfort. This factor is important considering that most people start trying to avoid crowds to jostle when shopping in shopping centers. Thus the choice to shop at online shopping becomes a new alternative that can make it more effective.
2. Complete information. The presence of information technology makes access to information so fast and easy. This is coupled with the many platforms that have provided a variety of information, rating and review features to provide reviews about the quality and information of a product.
3. Availability of products and services. Only by accessing the website, people can quickly find out the availability of goods without having to visit the store. This can also help potential buyers who are located far from the store, by not having to visit but still being able to buy goods online.
4. Cost and Time Efficiency. Some websites often offer potential buyers the best prices by comparing prices in several stores at once. This price comparison becomes meaningful for potential buyers.⁴²

It can be concluded that the digital entrepreneurship model can encourage the creation of innovation so as to create a new ecosystem for MSMEs. With the creation of a new ecosystem for MSMEs, it is expected to increase the productivity and welfare of the Indonesian people. In addition, with this digital entrepreneurship model, MSME actors will strive to be motivated to

⁴¹ As'adSonief,A.,Nuraini,Y.,&AriefSetyabudi,S.2019.DigitizationofSmallIndustriesandRegionalAgriculturalProductsEffortsforCommunityEmpowermentinKarangbendoVillage,RogojampiDistrict,BanyuwangiRegency.JournalofInnovationandAppliedTechnology,5(1).

⁴² Permadi,D.,Shabrina,F.,&Rahyaputra,V.2018.WelcomingIndonesianDigitalEntrepreneurship.UGMPRESS.

use technology in the network to market their products. The excess MSMEs will be able to quickly adapt to the digital world which can then compete in the international arena.

The presence of the Job Creation Law, which regulates the strengthening of the e-commerce ecosystem, can support efforts to digitize MSMEs, including accelerating the expansion of broadband infrastructure development, where the central and regional governments facilitate and facilitate the development of telecommunications infrastructure. The government regulates the obligation to share passive infrastructure as well as cooperation in the use of active infrastructure. The Job Creation Law also provides wide space and opportunities for the digital transformation of cooperatives and SMEs as well as the transformation of informal to formal SMEs.

The government also regulates the setting of upper and/or lower limit rates to protect the interests of the public and fair business competition. MSE actors are business actors who have high endurance and fighting power in Indonesia. Therefore, the government continues to encourage MSEs in Indonesia to continue to increase the use of technology amidst the rapid development of the digital economy, so that they have high competitiveness, can advance to class, and are able to reach exports and international markets.

Additionally, with the arrival of the vaccine and the start of vaccination, it is expected that it will build a sense of security and optimism for business actors, along with increasing public confidence, which over the past few months has reduced various socio-economic activities. Moreover, because the government continues to encourage efforts to digitize MSMEs, which is a form of realization of the current two major government agendas, namely the National Economic Recovery (PEN) and Digital Transformation agenda. Thus, it is hoped that the efforts made by the government will be able to realize the potential of Indonesia's digital economy of US\$124 billion in 2025.

In the context of developing the digital economy, the government has prepared a National Strategy for the Digital Economy. This strategy will utilize the 4 foundational pillars to create a leading digital economy that drives inclusiveness and sustainable economic growth. The 4 pillars are: First, the improvement of human resources. Human resources are the main thing for the development of MSMEs in the era of digitalization, so that their capacity can be increased. This is because many MSME actors admit that they still encounter many obstacles in the use of digitalization and social media due to lack of knowledge. Whereas MSME actors must also have a lot of knowledge in the use of market places, social media to applications.

Second, is to intervene in the improvement of MSME business processes, which are then translated into several programs. In addition to marketing techniques, knowledge about the importance of financial literacy is also needed for MSME actors. Because financial literacy will be able to make MSME actors systematically manage their business units, especially related to debt and receivable issues. This financial literacy also covers the procedures for recording MSME accounting. Because most MSME actors in Indonesia have not recorded in accordance with the Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) because there are obstacles in their implementation. These constraints are caused by the lack of quality of MSME financial reports.⁴³Third, is the expansion of market access, one of which encourages synergy between the Ministry of Cooperatives and SMEs with the Government Goods/Services Procurement Policy Institute (LKPP) so that MSME actors can become vendors of government procurement of goods and services. Fourth, is to glorify local heroes of SMEs. This local hero of MSME actors has the conditions to be a starter, empowering, have a strong brand, and overall able to aggregate Micro and Small businesses to anchor to digital platforms or to international markets (exports).

⁴³ Mubiroh, S., & Ruscitadari, Z. 2019. Implementation of SAK EMKM and Its Effect on MSME Credit Acceptance. Indonesian Accounting and Finance Periodic.

In addition, the development of the digitization of MSMEs will make the digital economy in Indonesia by 2025 the largest in Southeast Asia. Even so, there are three obstacles faced by MSMEs, namely; First, MSME actors are still constrained by the production capacity of goods. Even many MSMEs fail in the digital market, because they do not meet the demands of the digital market. Second, the quality of the resilience of MSME actors is not evenly distributed. Because in this digital market, players must be able to compete with large companies which during the pandemic have also switched to using digital platforms. Third, it is necessary to strengthen digital literacy education and strengthen human resources for MSME business actors.⁴⁴ Because so far digital literacy and the quality of human resources for MSME actors are very minimal, so it has an impact on being less than optimal in producing their respective superior products. In fact, the majority of MSME business actors want to practice digital business in developing their business.⁴⁵ Furthermore, in an effort to develop digital MSMEs, synergy is needed with netizens who incidentally are the millennial generation. These citizens can be encouraged to be able to participate in developing digital MSMEs with reseller techniques. In this context, netizens who can be invited to work together, especially millennials and Generation Z, are spread across several classifications, namely buzzers, influencers and followers.⁴⁶

Digitization must also be implemented in the regional government sector through the Regional Government Transaction Electronification (ETPD) policy that is able to increase Regional Original Revenue (PAD) by applying the principles of transparency, accountability, good governance, and integration of regional financial management systems. This is because the transformation to the future of MSMEs requires an ecosystem-based approach that is not only holistic from upstream to

⁴⁴ Suwarni, E., Sedyastuti, K., & Mirza, A. H. 2019. Opportunities and Barriers to Micro Business Development in the Digital Economy Era. *Ikra-lth Economics*, 2(2).

⁴⁵ Susanti, E. 2020. Digital Marketing Training in Technology-Based Business Development Efforts in MSMEs in Sayang Village, Jatinangor District. *Sawala: Journal of Community Service for Social, Village and Community Development*, 1(2).

⁴⁶ Arianto B. The Role of Social Media Buzzers in Strengthening the Digital Marketing Ecosystem. *Journal of Optimum UAD*, 10(1). March 2020.

downstream, but also includes initiatives and synergies from all stakeholders.

III. CLOSING

The Job Creation Law encourages the strengthening of the MSME ecosystem and e-commerce through various kinds of facilities. These include licensing, certification, financing, market access, training, digital infrastructure, implementation of electronic systems and transactions, as well as the business climate in the e-commerce sector. Synergy is needed between MSMEs, the government and other supporting stakeholders so that the MSME digital transformation process can run perfectly. So that the government's target to increase digital-based MSMEs can be quickly realized. The development of digital MSMEs during the Covid-19 pandemic can be an alternative for developing MSMEs in the era of the digital economy.

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THE ROLE OF FREE TRADE AGREEMENT IN THE EXPORT ACTIVITIES OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs).

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Abstract

Micro, Small and Medium Enterprises (MSMEs) in Indonesia is one of the priorities in national economic development because the business is the backbone of the populist economic system. Micro, Small and Medium Enterprises (MSMEs) products can also be commodities exported abroad. Of course, this export activity requires legal protection in the form of international agreements. Free Trade Agreement is a form of international agreement that regulates the export of goods. A *Free Trade Agreement* or FTA is an agreement between two or more countries to form a free trade area. The establishment of FTA is aimed at enabling the development of business between countries to be more rapid. This means the FTA is expected to benefit all parties involved in the deal.

Key Note: Products, exports, agreements

A. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) in Indonesia is one of the priorities in national economic development. This is in addition to the business is the backbone of the populist economic system that is not only aimed at reducing the problem of inequality between income groups and between business actors, or poverty alleviation and labor absorption. Moreover, its development is able to expand the economic base and can provide contributions in accelerating structural changes, namely the increasing regional economy and national economic resilience.

The existence of MSMEs cannot be eliminated or avoided from the nation's current society. Because its existence is very useful in terms of the distribution of people's income. In addition, it is also able to create creativity in line with efforts to maintain and develop elements of local tradition and culture. On the other hand, MSMEs are able to absorb labor on a large scale given Indonesia's large population so that this can reduce the unemployment rate. From this it is seen that the existence of MSMEs that are labor intensive, using simple and easy-to-understand technology can be a place for the community to work.

In the development of MSMEs, this step is not solely a step that must be taken by the Government and only becomes the responsibility of the Government. MSMEs themselves as an internal party developed, can swing the steps together with the Government. Because the potential they have is able to create business creativity by utilizing facilities provided by the government.

MSME products can also be commodities exported abroad, MSME actors can expand their trade wings by exporting their products abroad. Of course, to carry out export activities, MSME actors need legal protection and conveniences in the process, therefore international trade agreements are needed in terms of export of MSME products. One of the agreements that provide protection is the Free Trade Agreement. MSME actors, can also take advantage of the Free Trade Agreement Center in introducing their products to foreign countries.

In international trade, especially the study of export-import cannot be separated from the agreements or regulations born by international organizations. The regulations agreed in the World Trade Organization (WTO) are binding for WTO member countries, including Indonesia. The international trade regime has legalized the WTO to be the only world body that has credibility in regulating the international economy. Under the UNITED NATIONS organization, WTO generated policies often only benefit developed countries and hinder the economic growth of developing countries such as Indonesia.

Mutual interdependence between one country and another in the global era is a must. There is no country that is not bound by international treaties. International Agreement based on Vienna Convention is An International agreement concluded between States in written form and governed by international law, whether embodied in a single instrument or in two or more related instruments and whatever its particular designation. International agreements that can be utilized by MSMEs in export activities are Free Trade Agreements.⁴⁷

Based on the above, the thing that will be discussed in the writing of this article is the Role of Free Trade Agreement as an international agreement in the export activities of MSMEs actors.

B. DISCUSSION

Micro Small and Medium Enterprises (MSMEs) is a grouping of businesses based on established criteria, which can contain business capital, turnover, net worth indicators, annual sales results, or investment value, incentives and disincentives, application of environmentally friendly technology, local content, or the number of workers in accordance with the criteria of each business sector.⁴⁸ Such as micro, small business and medium enterprises.

International Trade is the business activities of a country of origin that crosses borders to a destination state carried out by companies to transfer goods and services, labor capital, technology (factories) and trademarks. International trade involves States and international institutions both globally and regionally which refers to the terms and principles of international law agreed in the GATT-WTO. Countries that bind themselves to be WTO members are subject to the principles stipulated in GATT, although GATT also contains provisions to deviate from the principles in the GATT-WTO Agreement for example contained in article XXIV, which is allowed regional agreements between two or more countries to

⁴⁷Boermauna, Manuscript Academic Regulation Legislation About Manufacture and Ratification Covenant International, BPHN Cooperation with Department Outside State, Jakarta, 1979-1980, Pp 7.

⁴⁸ Article 87 number 1 Law Number 11 year 2020 about Copyright Work ("UU Copyright Work") change Article 6 verse (1) UU 20/2008

reduce or eliminate trade barriers among fellow members of the regional agreement, with the aim of increasing trade in the region.

This is because Indonesia is now transforming into a country producing high-value products that require new markets outside the traditional country/its main trading partners. Indonesia has currently completed 23 international trade agreements. MSME actors can optimally utilize various facilities and facilities from agreements that have been agreed with trading partner countries. With all the benefits obtained from the trade agreement, it will make it easier for MSMEs to export their products to foreign countries.

A *Free Trade Agreement* or FTA is an agreement between two or more countries to form a free trade area. Free trade area is a group of economic cooperation between countries located in a particular region. This free trade area is one form of economic cooperation that makes every line of life more developed including trade.

FTA makes trade in goods or services between countries can cross the borders of other countries without tariff barriers or non-tariffs. Tariff barriers relate to levies imposed on goods from a country such as import duties or taxes in the framework of imports.

MSME actors can also take advantage of the Free Trade Agreement (FTA) Center in introducing their products to foreign countries. The Ministry of Trade has five FTA Centers spread across several Indonesian cities, namely Jakarta, Medan, Bandung, Surabaya, and Makassar. FTA Center can be an instrument of MSME actors in promoting their products to the world. The FTA Center provides consulting, education, and advocacy services on free trade agreements. FTA Center encourages businesses to understand and utilize FTA to develop businesses and penetrate global markets. MSMEs can contact Indonesian trade representatives in charge of promoting Indonesian products. In addition, trade representatives are also tasked with organizing *business matching* agreements with buyers abroad.

In the export training, business people will get guidance such as making designs and choosing product packaging that is in demand by the global market today. Thus, Indonesian products are not inferior to other countries products.

Currently, the types of Indonesian MSMEs products imported include furniture, furniture, fishery products, knitted goods, and fruits. As for some of the origin of its products from West Java, East Java, Central Java, DKI Jakarta, and Bali. With the utilization of various policies, including the maximum utilization of international trade, hopefully widen the scope of export markets and types of Indonesian products.

Free Trade Agreement is an agreement between two or more countries to form a free trade area. Free trade area is a bloc / group of economic cooperation between countries located in a particular region. This free trade area is one form of economic cooperation that makes every line of life more developed including trade.

FTA makes trade in goods or services between countries can cross the borders of other countries without tariff barriers or non-tariffs. Tariff barriers relate to levies imposed on goods from a country such as import duties or taxes in the framework of imports.

Meanwhile, non-tariff barriers generally relate to non-tariff measures that governments use to limit imports from other countries. For example, restrictions or restrictions to certain requirements that make imported goods more difficult to enter the country. The establishment of FTA is aimed at enabling the development of business between countries to be more rapid. This means the FTA is expected to benefit all parties involved in the deal.

Benefits that can be obtained from FTA include the occurrence of *trade creation* and *trade diversion*. *Trade creation* is the creation of trade transactions between FTA members that have never previously occurred, due to incentives derived from the formation of FTA. *Trade diversion* is the transition of imports from one country to another. *Trade diversion* generally occurs because the transition is considered more efficient or profitable from an economic point of view.

For example, the reduction in tariffs makes Indonesia which previously always imported sugar from China turn into importing sugar from Thailand. The switch comes as the cost of importing sugar from Thailand is considered more efficient and makes Indonesia stop importing sugar from China.

In addition, the existence of an FTA can make exporters in a country obtain preferential tariffs. This preference tariff allows exporters and entrepreneurs to reduce production costs so as to increase the competitiveness of the industry.

Referring to the International Bureau of Fiscal Documentation (IBFD) International Tax Glossary (2015), preferential tariffs are special tariffs that impose lower tariffs on imports from certain countries or imports of certain goods.

Preference rates are imposed under the FTA scheme whose rates have been set out in the regulations of the minister of finance. As a facility, the amount of preference rates can differ from the *most favored nation*.

Examples of FTA involving Indonesia both bilaterally and regionally can be seen in Article 2 paragraph (2) of PMK 109/2019 including ASEAN-China Free Trade Area (AC ETA), Asean-Korea Free Trade Area (AKFTA), and Asean-Australia-New Zealand Free Trade Area (AANZFTA).

C. CONCLUSION

MSMEs actors can take advantage of one of the international agreements in the export activities of their MSMEs products, namely the Free Trade Organization. MSMEs actors can also take advantage of the Free Trade Agreement Center in introducing their products to foreign countries. An FTA is an agreement between two or more countries to form a free trade area. FTA makes trade in goods or services between countries can cross the borders of other countries without tariff barriers or non-tariffs. Tariff barriers relate to levies imposed on goods from a country such as import duties or taxes in the framework of imports. Benefits that can be obtained from FTA include the occurrence of trade *creation* and *trade diversion*. *Trade creation* is the creation of trade transactions

between FTA members that have never previously occurred, due to incentives derived from the formation of FTA. *Trade diversion* is the transition of imports from one country to another. *Trade diversion* generally occurs because the transition is considered more efficient or profitable from an economic point of view.

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6. Regulation of the Minister of Trade No. 45 of 2019 on Goods Prohibited from Export.

IMPLEMENTATION OF INFORMATION SYSTEM POINT OF SALE USING TECHNOLOGY BARCODE ADI JAYA WHOLESALE SHOPPING

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Abstract

Adi Jaya shop is engaged in wholesale sales of basic necessities, which is located on Jl. Titiwangi District. Candipuro, South Lampung. The recording of the information system for selling goods at the Adi Jaya store still uses the manual method, giving rise to the possibility of miscalculations in making transactions. In addition, with the increasing number of types of goods being sold, the manual data collection process will take a long time. As a result, the transaction process does not run *effectively* because it takes a long time and can cause miscalculations in making sales transactions.

Research purposes is improving the existing system from manual to computerized, assisting store employees in managing sales data by building information system *point of sale* using technology *barcode*.

The benefits of research at the Adi Jaya Grocery Store are making it easier for cashiers to make sales notes, calculating the total sales price and making it easier for admins to record computerized sales data so that it will be more *efficient* and accurate.

The result of this study is a information system *point of sale* that aims to support the presentation of information regarding the calculation of sales prices, making notes and facilitating cashiers in the sales process.

Keywords : *Point Of Sale, Barcode, Store*

1. Introduction

1.1. Background of the problem

Adi Jaya shop is engaged in selling groceries in wholesale, which is located on Jl. Titiwangi District. Candipuro, South Lampung. Adi Jaya store provides various needs for its customers such as food products, cigarettes, soap, cooking oil and various types of basic necessities.

The problem that exists in the Adi Jaya store is that the recording of the information system for selling goods still uses the manual method, giving rise to the possibility of calculation errors in making transactions. In addition, with the increasing number of types of goods sold, the manual data collection process will take a long time. As a result, the transaction process does not run *effectively* because it takes a long time and can cause miscalculations in making sales transactions. Therefore, the Adi Jaya store needs to change its information system from a manual system to a computerized system which is expected to assist in handling administrative functions and data collection of transactions that occur.

It is hoped that with information system *point of sale* using technology *barcode* and the JAVA programming language and *database MySQL* at the Adi Jaya grocery store can solve sales problems at the Adi Jaya Store.

1.2 Purpose of Researcher

Objectives The objectives in this study are as follows :

1. To improve the existing system from manual to computerized,
2. To assist store employees in managing sales data by building information system *point of sale* using technology *barcode*.

1.3 Benefits of research

The benefits of research are as follows :

1. Make it easier for cashiers in making sales notes, calculating the total sales price.
2. Make it easier for admins to record computerized sales data so that it will be more *efficient* and accurate.
3. Financial reports can be more easily controlled.

2 Basic Theory

2.1 System

Understanding the system according to Romney and Steinbart (2015:3): The system is a series of two or more interconnected components, which interact to achieve a goal. Most systems consist of smaller subsystems that support the larger system.

The definition of the system according to Mulyadi (2016:5), the system is "a network of procedures made according to an integrated pattern to carry out the company's main activities".

Based on the above understanding it can be concluded that the system is a collection of components that are interrelated with one another to achieve the goal of carrying out a company's main activities.

2.2 Information

Understanding information according to Romney and Steinbart (2015), Information is data that has been managed and processed to provide meaning and improve the decision-making process.

Understanding according to Krismaji (2015:14), Information is "data that has been organized and already has uses and benefits".

Based on the above understanding, it can be concluded that the notion of information is data that is processed to be useful in making decisions for its users.

The statement proposed by Tata Sutabri (2016: 36) The quality of information depends on three (3) things, namely accurate (*accurate*), timely (*timeliness*) and relevant (*relevance*).

2.3 Information Systems

According to Krismaji (2015:15): Information systems are organized ways to collect, enter, and process and store data, and organized ways to store, manage, control, and report information in such a way that a organization can achieve the goals that have been set.

Laudon (2014) defines an information system technically as a series of interrelated components that collect (and retrieve), process, store and distribute information to support decision making and control the company.

So based on the above understanding it can be concluded that the information system is a collection of integrated data and complement each other by producing good output in order to solve problems and make decisions.

2.3 Point of Sale

Point of sale or simply called POS, can be interpreted as an activity-oriented on sales and systems that help process transactions. Each POS consists of *hardware and software* where both components are used for each transaction process. POS *Software* is the main component of the postal system which ultimately determines the course of the process, like what to do and how to do it. While POS *Hardware* is needed to carry out its functions, assist in the payment process and make receipts for customers (Novita & Djatikusuma: 2014).

2.4 Barcode

Barcode literally means code in the form of lines, as a collection of code in the form of lines, each thickness of each line is different according to the contents of the code. Generally, *Barcodes* are in the form of thin thick vertical lines separated by a certain distance, which represent certain data or information. Usually the code is used to see the type of goods, such as food and books. This code is then printed on the packaging of the goods (Malik, et al, 2014).

2.5 Sales

According to Francis Tantri and Thamrin (2016: 3) "sales is part of the promotion and one part of the overall marketing system".

According to Basu Swastha (2014) selling is "Selling is the science and art of personal influence carried out by sellers to invite others to be willing to buy the goods and services offered".

Based on some of the concepts above, it can be concluded that selling is a process of selling goods to buyers for profit.

2.6 JAVA

Java is a programming language *multi-platform* and *multi-device*. By writing a program using Java once, it will be able to run on almost any computer and other Java-enabled devices, with little or no changes to the code. This Java-based application is compiled into *p-code* and can be run with the *Java Virtual Machine*. This functionality of Java can run with *platforms* different operating system because of its general and non-specific nature. (Vicky, 2014)

2.7 MySQL

Kadir (2013:15), "MySQL is the name of the *database server*. *Database server* is a *server* that serves to handle the *database*. *Database* is an organization of data with the aim of facilitating data storage and access. By using MySQL, we can store data and then the data can be accessed in an easy and fast way."

3 Research Methods The

Method used in system development is the classical/cycle *waterfall* with stages consisting of System Survey, System Analysis, System Design, System Development, System Implementation and System Maintenance (Yunindra 2017:61).

System design method using DFD (*Data Flow Diagram*). Sukamto and Salahuddin (2014: 288), "*Data Flow Diagram* is a graphical representation that describes the flow of information and the transformation of information that is applied as data that regulates the input (*input*) and output (*output*).

The test method taken is the testing method *Black Box*. Testing *Black Box* is testing the fundamental aspects of the system without paying attention to the internal logical structure of the software. According to Rosa and Salahuddin (2015) "*blackbox testing* is testing software in terms of *functional specifications* without testing the design and program code".

The data collection is carried out as follows :

1. Interview Method (*Interview*)

The interview method is a method of collecting data by asking questions or asking questions directly to store employees and shop owners. How is the transaction process for selling goods at the Adi Jaya store?

2. Methods of observation (*Observation*)

Method *Observation* is a method of data collection by direct observation and recording. Learn something related to the current system. By observing how the system works at the Adi Jaya Store.

4 Discussion and Results

4.1 System Design The

System design method used in this research consists of Context Diagram, DFD (*Data Flow Diagram*) and ERD (*Entity Relationship Diagram*).

1. Context Diagram Context

Diagram is an overall picture of the system process in outline. In the implementation of the Information System *Point Of Sale* Using Barcode Technology at the Adi Jaya Grocery Store, employees provide goods data, customer data, incoming goods data and sales data as input to the system. Then the system will generate a sales report which is given to the owner for authorization. Context diagram of Information System *Point Of Sale* Using Barcode Technology at Adi Jaya Grocery Store can be seen in Figure 1:

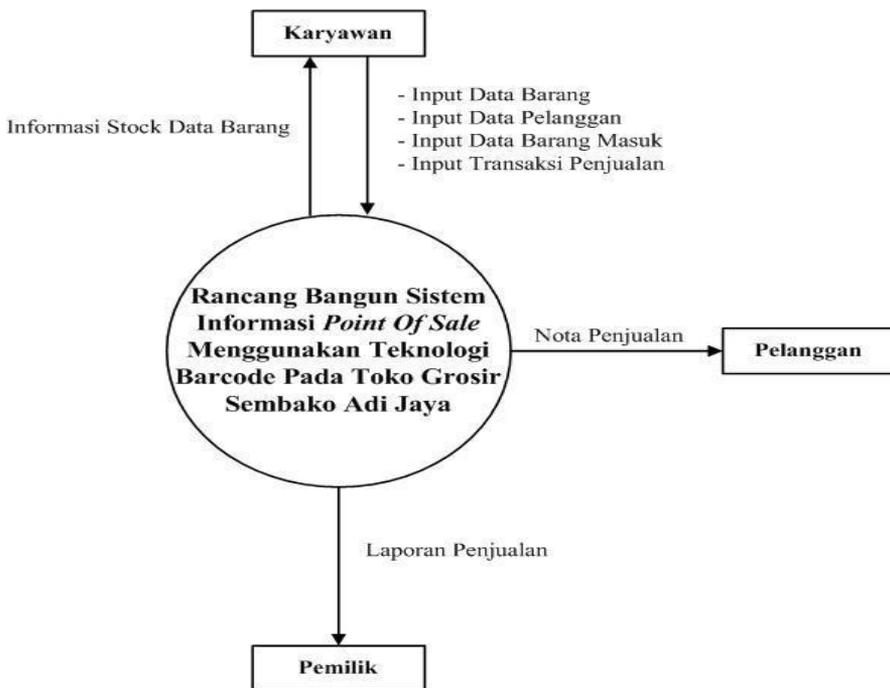


Figure 1. Context Diagram of Information System *Point Of Sale*

2. DFD (Data Flow Diagram)

Data Flow Diagram (DFD) is a description of the diagram the context explains the Information System *Point Of Sale* Using Barcode Technology at the Adi Jaya Grocery Store, admin *inputs* goods data stored in the goods table, *input* customer data stored in

the customer table, *input* data for incoming goods stored in the goods table and *input* transactionsales are stored in the sales table. Then the system will generate a sales note given to the customer and a sales report per period to be given to the owner to check the printed report data. *Data flow diagram* of Information System Point Of Sale Using Barcode Technology at Adi Jaya Grocery Store can be seen in Figure 2.

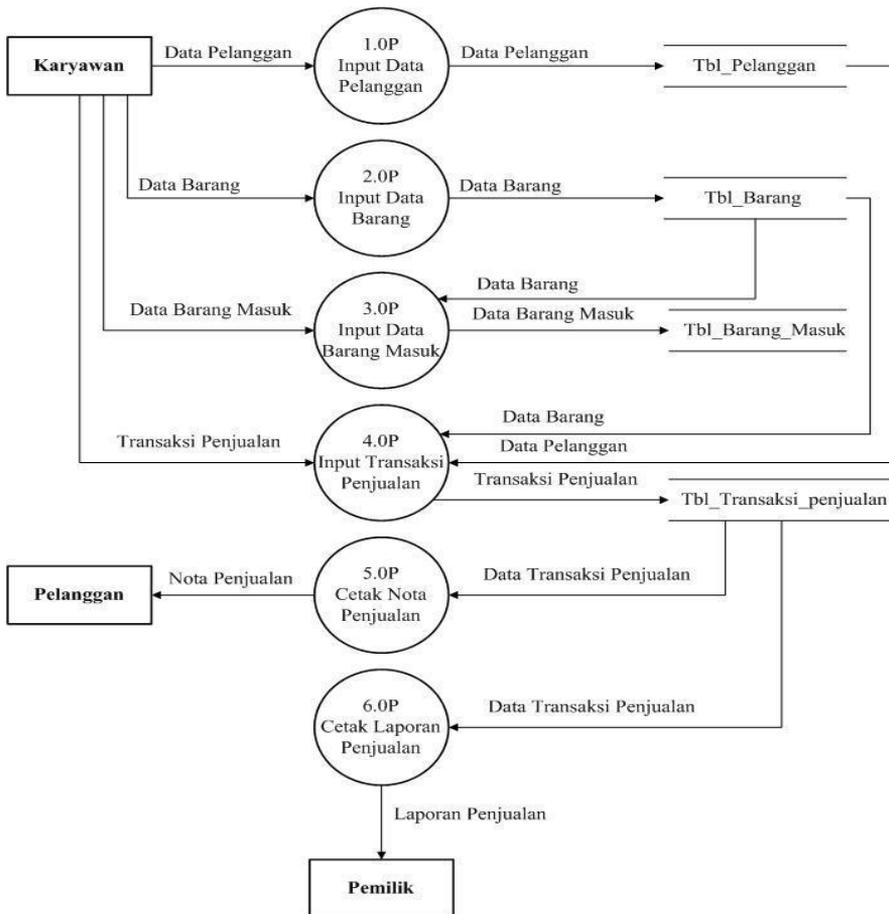


Figure 2. Data Flow Diagram of Information System Point Of Sale

3. Entity Relationship Diagram (ERD)

Entity Relationship Diagram is a component entity set and relationship set, each of which is equipped with attributes that represent the entire running of the system to be built. Entity relationship diagram Design of Information Systems Point Of Sale By Adi Jaya Grocery Store can be seen in Figure 3 below :

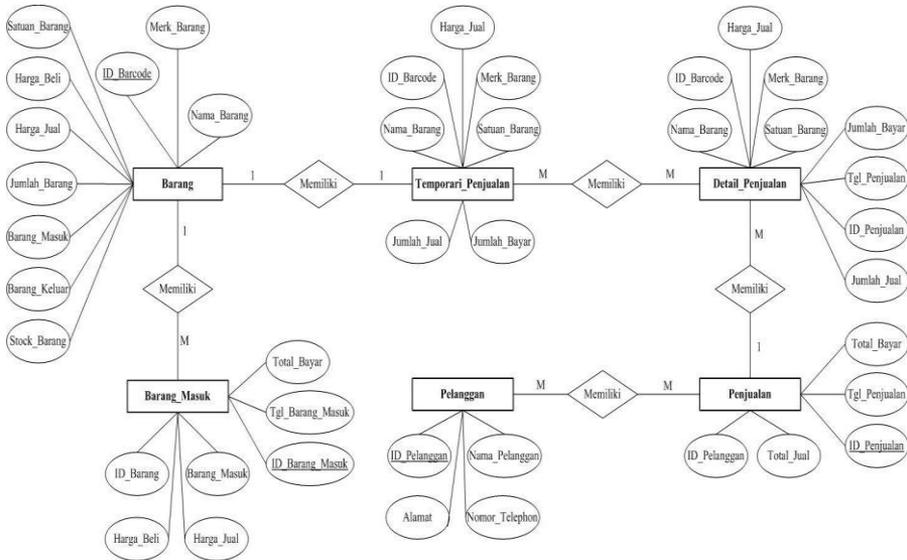


Figure 3. Entity Relationship Diagram Information System Point Of Sale

4. Relation Between Tables

Draft relationships between them are associated with key relationships for logical database design model (*Logical Database Design*). The relation of the Information System table Point Of Sale using Barcode Technology at the Adi Jaya Grocery Store can be seen in Figure 4 below :

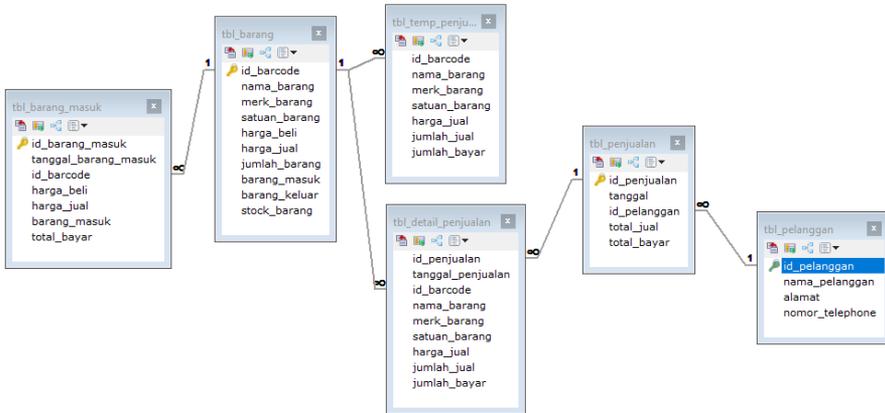


Figure 4. Relationships between Tables

4.2 Results

Based on the problems that have been found in the previous analysis process, a system is built that processes about financial statements. The following is an explanation of the program from the system that is ready to be used :

a. Login

Form The login form will appear when on the home form click on the button login, the will appear login form. When the user has clicking input in the user and password correctly, then click the button login on the login form, then the main menu will be active and the system can be used. Implementation of the login form can be seen in Figure 5 :

Figure 5. Display Login Form

b. Form Goods Data Input

Form input data items is the form that is used to process data items. Implementation *input form* of the goods data can be seen in Figure 6 below :

ID Barcode	Nama Barang	Merk Barang	Satuan Barang	Stock Barang
324	sdfs	gfdg	fdg	4
8998989110167	Surya 16	Gudang Garam	Bungkus	0
8998989121163	Surya Pro Mild	Surya	Bungkus	0

Figure 6. Display of Goods Data Input

c. Form Customer Data Input

form customer data input is the form that is used to process customer data. Implementation input form of the customer data can be seen in Figure 7 below :

ID Pelanggan	Nama Pelanggan	Alamat	Nomor Telephone
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Figure 7. Customer Data Input Form

d. Incoming Goods Transaction

Form The incoming goods transaction is a form used to process incoming goods data, for the implementation form of the incoming good scan be seen in Figure 8.

ID Barang M...	Tanggal	ID Barcode	Harga Beli	Harga Jual	Barang Masuk	Total Bayar
----------------	---------	------------	------------	------------	--------------	-------------

Figure 10. Incoming Goods Transaction Form

e. Transaction Form Sales

Form sales transaction is the form that is used to process sales data, for the implementation of the form of the transaction can be seen in Figure 9.

The screenshot shows a web application window titled "Form Transaksi Penjualan Barang". The interface is divided into several sections:

- Left Sidebar (Light Blue):** Contains input fields for "ID Penjualan", "Tanggal", "ID Barang", "Nama Barang", "Harga Barang", "Stock Barang", "Jumlah Jual", "Jumlah Bayar", "Sisa Barang", "ID Pelanggan", and "Nama Pelanggan". There are "Cari" buttons next to "ID Barang" and "ID Pelanggan". At the bottom are "Simpan", "Hapus", and "Keluar" buttons.
- Top-Right Section (Yellow):** Titled "Data Sementara Penjualan". It features a table with headers: "ID Barcode", "Nama Barang", "Merk Barang", "Harga Barang", "Jumlah Jual", and "Jumlah Bayar". Below the table are "Total Bayar" and "Total Item" labels with input fields and "+" and "-" buttons.
- Bottom-Right Section (Yellow):** Titled "Data Penjualan". It has a "Cari Data" input field and a table with headers: "ID Penjualan", "Tanggal", "Total Penjualan", "Total Pembayaran", and "ID Pelanggan".

Figure 9. Transaction Form Sales

f. Print Form Sales Report

Form Print sales report is the form that is used to process sales data that you want to print, form the print is used to print sales reports sales reports are needed and in the required time period. The implementation of the form printed sales report can be seen in Figure 10.

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EASE-IN-THE LAW OF JOB CREATION FOR BUSINESSES OF MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES (SMES).

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ABSTRACT

Micro, Small and Medium-sized enterprises (SMES) have an important role in the growth and development of the economy of a Country. This role is not only in developing Countries but also in developed Countries, it is reasonable because the SMES make a major contribution to Gross Domestic product (GDP). The existence of SMES is worthy to be taken into account since it has a lot more value, when the world was hit by the economic recession and the crisis multidimensional, SMES was able to survive in saving the continuity of its business. In addition, small businesses are able to play the role as a driving force in the framework of the economic recovery that fosters hope and a sense of optimism for the majority of people who master a great effort. - Oriented development of democracy and the policy in favor of the people can be used as one strategy in order to provide welfare by promoting the empowerment of the community. Those reasons were become the basis of convenience as well as simplification of the policy on SMES in Indonesia with the Law of Job Creation.

Keyword: Micro, Small and Medium-sized enterprises (SMES), Law of Job Creation.

PRELIMINARY

The creation of the Legislation of the Law on Job Creation aims to help Micro, Small and Medium enterprises (hereinafter abbreviated as SMES) as the main actors of the economy in Indonesia by lifting the degree and capacity in the arena of the business world. The Data shows that 97 percent of the workforce was absorbed in this field with the creation of new jobs. The expected future of SMES can be a leading sector in the field of economy which is able to provide a major contribution to the Gross Domestic Product (GDP). Contribution of SMES to the GDP of Indonesia is in the Rp. 8.573.9 trillion (of 57.8 percent) and in 2018 reached Usd. 14.838,3 trillion. In terms of the absorption of labor is 117 million (97 percent) of the total amount of labor and creates the 64 million business unit or 99.99 percent of the overall business unit in Indonesia.⁴⁹

The purpose of setting the SMES contained in the Law on Job Creation is for the improvement and development of SMES in Indonesia to analyze the problem and provide a way out or a solution that is significant for SMES, for example, in the problem of the difficulty of capital, the difficulty of the licensing, marketing, data bases and access to government projects.

There are some changes about the implementing regulations related to the licensing strive after the enactment of the Law Job Creation:

1. Government Regulation Number. 5 of 2021 On The Implementation Of The Business Licensing To Risk-Based.
2. Government Regulation Number. 6 of 2021 On the Implementation of the Business Licensing in the Area.
3. Government Regulation Number. 7 of 2021 About Ease, Protection and Empowerment of SMES.
4. Presidential Regulation Number. 10 of 2021 About The Field Of Business Of Capital Investment.

⁴⁹ <https://indonesia.go.id/narasi/indonesia-dalam-angka/ekonomi/klaster-umkm-kemudahan-bagi-yang-lemah-dan-kecil>, diakses tanggal 31 Mei 2021.

Business license the previous permission-based after the Omnibus Law to change to a risk-based, which became an important point about the licensing based on the risk and the condition is:

1. The risk is Low, the Number of Parent Trying (NIB).
2. Medium risk Low, NIB + Standard Certificate (*self declare).
3. Medium to High risk, NIB + Standard Certificate (*self declare & verification).
4. High risk, NIB + Clearance (+Standard Certificate).

Government Regulation No. 7 of 2021 about Ease, Protection, and Empowerment of Cooperatives and Micro, Small and Medium enterprises (SMES GR) have been issued by the government along with 48 of the implementing regulations other than the Act No. 11 of 2020 about Law Job Creation on 16 February 2021 ago. SMES GR to change some of the provisions that had previously been regulated in Law No. 20 of 2008 on Micro, Small and Medium enterprises (SMES ACT). One of them is the rules related to the criteria of SMES itself.

DISCUSSION

Micro, Small and Medium-sized enterprises (SMES) is a business group that is managed by a person or an entity based on the criteria or qualifications. Nowadays, SMES are the largest contributor in the creation of employment and labor engagement. It is proved that the SMES is a business group that is formidable, when in the 1998 the depths of the recession of the world economy, SMES was able to pass through the commotion and survived.

Based on Article 33 of the 1945 constitution, economic democracy is the economic system that is intended to realize the sovereignty of the people in the economic field. The role of the State in the system of economic democracy include the following:

1. Develop cooperative;
2. Develop State-Owned Enterprises (SOES);
3. Ensure the utilization of earth,water, and all the wealth contained in it for the greatest prosperity of the people;
4. Fulfilling the rights of every citizen to get a job and a decent livelihood;

5. Maintain the poor and neglected children.⁵⁰

Law of Job Creation was passed by the Council of Representatives (DPR) that one of its content is a provision of the Omnibus Law through the Plenary session on Monday, October 5, 2020. The Omnibus Law contains 15 Chapters and 186 of the Article where it is set about employment to the environment. There are some convenience provided to the business to be able to start its business in an easy way.⁵¹

The legislation of the Law of Job Creation simplify business licensing of the first permission-based to be risk-based and scale the business. These terms set forth in article 7 of CHAPTER III. The ministry of Finance stated the Law of Job Creation will be one of the capital's economic recovery in 2021. The core of the establishment of this ACT is to simplify the licensing in the attempt, making it easier for the community that will start a business without reflecting about the complexity of the bureaucracy in the settings. The focus of the ease is on SMES and the establishment of a Limited liability Company that is Individual.⁵²

The provisions in the ACT on the Law of Job Creation provides convenience to SMES include, ease of starting a business, ease of managing, as well as the ease of developing SMES. The ease involved in starting a business of SMES is, First, fixed freeing the micro of the cost of the licensing trying and give an incentive in the cost of trying to small businesses. It is listed in Article 12, paragraph 1 (b) of the Law of Job Creation which reads, free of charge licensing business for micro and give an incentive in the cost of business licensing for a small business.

Second, the regulation on single licensing and licensing procedures become simpler with the online system, the Online Single Submission (OSS). Third, the role of the central government, regional government, state-owned enterprises, large businesses and foreign national to provide financing to micro and small enterprises

⁵⁰Rudyanti Dorotea Tobing, 2015, *Aspek-aspek Hukum Bisnis Pengertian, Asas, Teori dan Praktik*, Surabaya, Laksbang Justitia, hlm. 103.

⁵¹<https://izin.co.id/indonesia-business-tips/2021/02/26/implementasi-uu-cipta-kerja/>

⁵²<http://openjournal.unpam.ac.id/index.php/jlsp/article/view/8581>

does not change even access claims data are increasingly widespread, varied and easy.

Settings on the management of SMES in the Law of Job Creation, involved:

- 1) Easy and simplify tax administration, as well as tax incentives and customs for micro and small enterprises.
- 2) The Provision of assistance services and legal assistance for micro and small enterprises.
- 3) Provision of training and mentoring utilization of the system or application bookkeeping/financial records to micro and small enterprises.

Fourth, the labor salary for micro and small enterprises prevailing salaries based on agreement between the entrepreneurs and workers, amounting to at least a certain percentage of the average community consumption. Fifth, strengthen protection for SMES so it is not controlled or owned by large businesses. Sixth, increased business opportunities for SMES with supply series partnerships.

In order to support the growth of SMES, there is also an arrangement about the simplicity of the business activities. SMES can be used as collateral to access credit business financing. In the terms of Intellectual Property Rights (IPR), the registration of SMES is simplified and made easy.

For micro, small and medium-sized is given the ease in the export facilities and associated imports of raw materials and supplementary materials industry. Afterwards, SMES are empowered and developed with the allocation of the special allocation fund (DAK), the allocation of products of micro and small enterprises and cooperatives of the domestic production results in the procurement of goods or services the government is prioritizing.

The expansion of the market share as well as product promotion, SMES are given a greater opportunity in the rest area toll roads and public infrastructure, for example terminal, airport, port, train station and more. About the incubation period of the creation and growth of new business as well as strengthening the

capacity of businesses beginner is also regulated in the Omnibus Law. The last is about mentoring in improving the capacity of micro, small, and medium so that the source of financing can be easily accessed.

The Law of Job Creation mentions that are listed in the preamble, it is “considering” that the ease given for the protection and empowerment of SMES laid in the advance arrangement together with the cooperative, for further followed by improving the ecosystem of investment and the acceleration of the national strategic project, including an increase in the protection and welfare of workers.

A number of convenience for SMES is spelled out in the special chapter, for example, in Chapter V provides protection and empowerment of SMES and cooperatives. Specifically for SMES norm stretches of Article 87 to Article 104. A number of other conveniences are on the Best Halal Products, Limited liability Company, Labor and others.

Article 6 of The Act Number 20 of 2008 about SMES (hereinafter abbreviated as SMES ACT) is amended as a form of attention to SMES that arrange the criteria. In terms of the old situation, criteria of SMES contain only net wealth, while in the Omnibus Law a number of terms are changed on micro, small and medium-sized enterprises (SMES) in the ACT of SMES.

The settings on the authorized capital SMES contained in Government Regulation no. 7 of 2021 which is about Ease of Protection and Empowerment of SMES. Basic development and empowerment of SMES expanded with the details of the authorized capital as follow:

Criteria for Business	After Job Creation Act	Before Job Creation Act
Micro	< Rp. 50 Million	< Rp. 1 Billion
Small	Rp. 50 – 500 Million	Rp. 1 – 5 Billion
Medium	Rp. 500 Million – 10 Billion	Rp. 5 -10 Billion
Great	> Rp. 10 Billion	> Rp. 10 Billion

Source: [https://izin.co.id/indonesia-business-tips/2021/02/26/ implementasi-uu-cipta-kerja/](https://izin.co.id/indonesia-business-tips/2021/02/26/implementasi-uu-cipta-kerja/)

The following is a comparison of the settings criteria SMES in Article 6 of the Act of SMES with SMES GR regulated significantly different:

INDICATOR	SMES ACT	SMES GR
Grouping of SMES	SMES are grouped based on the net assets or the results of the annual sales. Net worth is the amount of assets after reduced with debt or obligation.	SMES are grouped based on the criteria of venture capital or the results of the annual sales. Venture capital is equity capital and loan capital to run the business activities.
The Net worth or Capital of the Business	<ol style="list-style-type: none"> 1. Micro: at most 50 million 2. Small business: more than 50 million – most of Rp500 million. 3. Medium-sized businesses: more than 500 million – the most of Rp10 billion. Not including land and buildings, places of business.	<ol style="list-style-type: none"> 1. Micro: the most Rp1 billion 2. Small business: more than Rp 1 billion – most Rp5 billion. 3. Medium-sized businesses: more than 5 billion– most of Rp10 billion. Not including land and buildings, places of business.
The Results Of The Annual Sales	<ol style="list-style-type: none"> 1. Micro: the most Rp 300 million. 2. Small business: more than \$ 300 million – the most Rp 2.5 billion. 3. Medium-sized businesses: more than Usd 2.5 billion – most of Rp 50 billion. 	<ol style="list-style-type: none"> 1. Micro: the most Rp 2 billion. 2. Small business: more than \$ 2 billion – most of Rp 15 billion. 3. Medium business: more than \$ 15 billion – most of Rp 50 billion.

Source: <https://kontrakhukum.com/article/peraturanbaruukm>

Article 91 of the Law of Job Creation set of the terms of the ease of licensing for SMES. That is described in this article is about the registration of SMES by SMES carried out online or offline, the attached file is the identity Card (KTP) and a letter from the Neighborhood (RT). Then Business Number Identity (NIB) can be obtained by businesses through licensing trying electronically. All the activities of business apply single licensing in the shape of a NIB.

Business license, the Indonesian National Standard (INS), and Certification of Halal Products Guarantee is a single licensing. The central government and local governments are required to conduct training for the business license, the fulfillment of ISO standards and certification of halal product guarantee.

SMES are also given the ease of particular sectors of the creative economy, specifically the registration of Intellectual property Rights (IPR) that is convenient and the establishment of a Limited liability Company (PT) individual that is also quick and easy. The Law on Job Creation also expands the scope of the Institution of Halal Examiner, this is done inclusively by Islamic organizations and universities, with faster and easier.

To support efforts against the SMES GR. 7 of 2021 set of place promotion and development of micro and small enterprises in the public infrastructure. Article 60 the SMES GR set up ministries /agencies and local governments, regional-owned enterprises, and/or private entity shall make the provision of a place of promotion and development of micro and small businesses at least 30% (thirty three percent) of the total area of land, commercial areas, extensive shopping, and/or place of promotion that is located on public infrastructure.

Infrastruktur publik are:

1. Terminal;
2. Airport;
3. Port;
4. Railway Station;
5. A place of Rest and highway Services;
6. Public infrastructure other set by the central government and/or local governments in accordance with their authority.

Based on the explanation and clarification above, the more points the ease which is obtained by the SMES entrepreneurs in the activity of trying at the Law on Job Creation. It aims to improve the growth and development of businesses, especially SMES in Indonesia.

CONCLUSION

The Law on Job Creation in the life principle of the business world provides fresh air and a better hope for the SMES in Indonesia. The Law on Job Creation provide a lot of convenience and simplification of the SMES, where the SMES sector is a major contribution to the survival of the Indonesian economy. In addition to employment and the creation of extensive employment, the Law on Job Creation also perform simplification for the registration of licensing. It is expected with the support of qualified SMES will grow and provide significant revenue.

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URGENCE FOR ESTABLISHING REGIONAL REGULATIONS ABOUT MICRO, SMALL AND MEDIUM BUSINESS IN BANDAR LAMPUNG CITY

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Micro, Small and Medium Enterprises is one form of the people's economy, as a regional economic potential that must be explored and developed because it can absorb a massive number of workers and can improve people's welfare as the regional development goals. This kind of condition was also experienced by the Bandar Lampung City Government, especially during the Covid-19 pandemic, UMKM were able to grow and develop, especially in supporting the regional economy in Bandar Lampung City. However, in terms of legal certainty, UMKM in Bandar Lampung City obtain legal certainty and guarantees from the Regional Government, especially regional regulations. Until now, in Bandar Lampung City there are no Regional Regulations or Regional Head Regulations regarding UMKM. Therefore, it needs serious attention from policy makers in Bandar Lampung City, especially the Bandar Lampung City Government and the Bandar Lampung City Regional House of Representatives to formulate policies as well as regional regulations related to UMKM. Where efforts to manage UMKM are not only related to capital and accessibility, but also involve broader policies regarding business licensing and partnerships with financial institutions which are expected to be facilitated by the Regional Government through the establishment of regional regulations.

Keywords: Urgency; Regional Regulations; Micro Small and Medium Enterprises

A. Preliminary

The Constitutional mandate as stipulated in Article 33 Paragraph 4 of the 1945 Constitution of the Republic of Indonesia states that "The national economy is organized based on economic democracy with the principles of togetherness, efficiency, justice, sustainability, environmental insight, independence, and by maintaining a balance of progress and national economic unity.⁵³. Thus the meaning contained in it mandates that building Indonesian Economic Democracy is essentially guided by the People's Economic System, in its operational form through People's Economic Empowerment.⁵⁴ .

One of the implementations of the people's economy in Indonesia is Micro, Small and Medium Enterprises (UMKM). Where this business activity is very vital and strategic in the national economic system, especially during the Covid-19 pandemic that has hit Indonesia. UMKM play a strategic role and have an important position, not only in the absorption of labor and community welfare in the regions, in many ways they become the glue and stabilize the problem of social inequality. UMKM have the flexibility to face crisis storms, this is partly due to the high content of production factors, based on the needs of the wider community and having a comparative advantage.

In its development, UMKM also experience various obstacles, where the intensity can differ from one region to another. For example, between rural and urban areas, or between sectors, or among companies in the same sector. However, the common problems faced by UMKM include limited working capital and investment, difficulties in marketing, distribution and procurement of raw materials and other inputs, limited access to information regarding market opportunities and others, low quality of human

⁵³Lihat Ketentuan Pasal 33 ayat (4) Undang-Undang Dasar Negara Republik Indonesia Tahun 1945.

⁵⁴ Ginanjar Kartasasmita. 2001. *Membangun Ekonomi Kerakyatan untuk Mewujudkan Indonesia Baru yang Kita Cita-Citakan*. Makalah disampaikan di depan Gerakan Mahasiswa Pasundan, Pasuruan, 27 September 2002.

resources, ability to master technology and the management of business licenses which are very burdensome. SMEs entrepreneurs.

Up to now as much as 10,479 UMKM in Bandar Lampung City, which should be a serious concern by policy makers (stakeholders). The urgency of establishing regional regulations This is getting stronger because until now there is no regional regulation in Bandar Lampung City that specifically regulates this matter comprehensively, which does not only look at the economic side but also from the political, government, and socio-cultural side.

B. Discussion

1. Welfare State Theory

The theory of the welfare state law is a combination of the concepts of the rule of law and the welfare state. According to Burkens, the rule of law (*rechtsstaat*) is a state that places the law as the basis of its power and the exercise of that power in all its forms is carried out under the rule of law.⁵⁵ While the concept of a welfare state is that the state or government is not merely a guardian of security or public order, but the main bearer of responsibility in the context of realizing social justice, general welfare and as much as possible for the prosperity of the people. Based on this, it is clear that in the concept of the welfare state, the role of the state is in a strong and large position in creating public welfare and social justice.

2. Decentralization and Regional Government Authorities

Decentralization is intended to create opportunities for people to participate in various political activities at the local level (political equality), increase the capacity of the rights of their communities (local accountability) and increase the acceleration of

⁵⁵Mochtar Kusumaatmadja. 2010. *Makalah Hukum Pemantapan Cita Hukum dan Asas-Asas Hukum Nasional di Masa Kini dan Masa yang Akan Datang*. Majalah Hukum Nasional, Jakarta, p.1.

social and economic development in the regions (local responsiveness).⁵⁶

Decentralization is a concept that is considered capable of overcoming public service problems in various sectors which are expected to lead to efficiency, effectiveness and equity, which leads to the creation of people's welfare. The 1945 Constitution of the Republic of Indonesia provides a new basis for the administration of regional government through fundamental changes to Article 18 of the 1945 Constitution. These changes provide a new paradigm and a new political direction for local government.

This can be seen from the following principles:

1. The regional principle regulates and manages its own government, according to the principle of autonomy and co-administration as stipulated in Article 18 paragraph 2. This provision confirms that regional government is an autonomous government within the Unitary State of the Republic of Indonesia. The new principle in Article 18 of the 1945 Constitution is more in line with the idea of the Region forming a regional government as an independent government unit in a democratic region.
2. The principle of exercising the widest possible autonomy is as stipulated in Article 18 paragraph (5). This principle is in accordance with the opinion of the founding fathers, but because it is not formulated in the 1945 Constitution, there is a narrowing of the implementation of regional autonomy towards centralized government. This is stated in the text of Article 18 paragraph (5) as follows: "Regional governments carry out the widest possible autonomy, except for government affairs which are determined by law as affairs of the central government".
3. The principle of regional specificity and diversity as stipulated in Article 18A paragraph (1) with the full text: "The relationship of authority between the central government and provincial, district and city governments, shall be regulated by law with due observance of regional specificity and diversity". The formulation

⁵⁶Murtir Jeddawi. 2005. *Memacu Investasi di Era Ekonomi Daerah, Kajian Beberapa Perda tentang Penanaman Modal*. UII Pres, Yogyakarta, p. 39-40.

of this principle implies that the form and content of regional autonomy does not have to be uniform, but must be adapted to the special circumstances and diversity of each region, which is intended as a maximum effort to realize the ideals of autonomy, namely a democratic and prosperous regional community.⁵⁷

The implementation of decentralization requires the division of government affairs between the Government, Provincial Government and Regency/City Regional Government. Mandatory government affairs are government affairs that must be carried out by regional governments related to basic services for the community, such as basic education, health, environment, transportation, population and so on. Elective government affairs are government affairs that are prioritized by regional governments to be carried out, which are related to efforts to develop core competence which is a regional specialty. to the extent that it becomes the authority of the region concerned, it must still be carried out by the regional government concerned. However, given the limited resources and sources of funds owned by the regions, the priority of administering government affairs is focused on mandatory and optional affairs that actually lead to the creation of community welfare, in accordance with the conditions, potential and peculiarities of the region concerned. Apart from mandatory and optional government affairs, each level of government carries out government affairs based on the criteria for the division of government affairs, becoming an authority on the basis of the principle of administering government affairs. The extent of the authority of the local government must of course be aimed at achieving community welfare,

- 1) Improving the quality and quantity of public services and public welfare;
- 2) Creating efficiency and effectiveness in the management of regional resources (local resources);

⁵⁷Bagir Manan. 2004. *Menyongsong Fajar Otonomi Daerah*. Pusat Studi Hukum Fakultas Hukum UII. Cet. Ketiga, Yogyakarta, p. 7-17

3) Empower and create space for the public (public sphere) to participate in the development process. However, in the implementation of regional government, efforts to realize community welfare are more of a commitment, while the level of implementation is not optimal.

3. Micro, Small and Medium Enterprises (UMKM)

In the Indonesian economy, UMKM are the business group that has the largest number and is proven to be resistant to various kinds of shocks from the economic crisis. The criteria for businesses that are included in Micro, Small and Medium Enterprises have been regulated in the legal umbrella. Based on Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (UMKM) there are several criteria used to define the definition and criteria of Micro, Small and Medium Enterprises.

According to Tambunan, the criteria for Micro, Small and Medium Enterprises (UMKM) according to Law Number 20 of 2008 concerning Micro and Small and Medium Enterprises are classified based on the number of assets and turnover owned by a business. Criteria for Small and Medium Enterprises based on development, namely:

- 1) *Livelihood Activities*, is a Small and Medium Enterprise that is used as a job opportunity to earn a living, which is more commonly known as the informal sector. An example is a street vendor.
- 2) *Micro Enterprise*, is a Small and Medium Enterprise that has the nature of craftsmen but does not yet have the nature of entrepreneurship.
- 3) *Small Dynamic Enterprise*, is a Small and Medium Enterprise that already has an entrepreneurial spirit and is able to accept subcontract and export work
- 4) *Fast Moving Enterprise*, is a Small and Medium Enterprise that already has an entrepreneurial spirit and will transform into a Big Business (UB)⁵⁸.

⁵⁸Tambunan, dkk. 2019. *UMKM di Indonesia*. Ghalia Indonesia, Bogor, p. 12.

Micro, Small, and Medium Enterprises (UMKM) are the largest group of economic actors in the Indonesian economy and have proven to be a safety valve for the national economy in times of crisis, as well as being a dynamist of economic growth after the economic crisis. The criteria for UMKM are described in Article 1 points 1, 2 and 3 of Law Number 20 of 2008 concerning UMKM providing the following definitions:

- 1) Micro Enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated in this Law.
- 2) Small Business is a productive economic business that stands alone, which is carried out by individuals or business entities that are not subsidiaries or not branches of companies that are owned, controlled, or become part either directly or indirectly of Medium Enterprises or Large Businesses that meet the Business criteria. Small as referred to in this Law.
- 3) Medium Enterprises are productive economic businesses that stand alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become a part either directly or indirectly with Small Businesses or Large Businesses with total net assets or annual sales proceeds as regulated in this Law⁵⁹.

Article 6 paragraphs (1), (2) and (3) of Law Number 20 of 2008 concerning UMKM provides the following criteria:

(1) Micro Business Criteria:

- a. have a net worth of at most Rp. 50,000,000.00 (fifty million rupiahs) excluding land and buildings for business premises;
or
- b. have annual sales of at most Rp. 300,000,000.00 (three hundred million rupiah).

⁵⁹Lihat ketentuan Pasal 1 angka 1, 2 dan 3 Undang-Undang Nomor 20 Tahun 2008 tentang Usaha Mikro, Kecil dan Menengah.

(2) Small Business Criteria:

- a. have a net worth of more than Rp. 50,000,000.00 (fifty million rupiah) up to a maximum of Rp. 500,000,000.00 (five hundred million rupiah) excluding land and buildings for business premises; or
- b. have annual sales of more than Rp. 300,000,000.00 (three hundred million rupiah) up to a maximum of Rp. 2,500,000,000.00 (two billion five hundred million rupiah).

(3) Medium Enterprise Criteria:

- a. have a net worth of more than Rp. 500,000,000.00 (five hundred million rupiah) up to a maximum of Rp. 10,000,000,000.00 (ten billion rupiahs) excluding land and buildings for business premises; or
- b. have annual sales of more than Rp. 2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of Rp. 50,000,000,000.00 (fifty billion rupiah)⁶⁰.

Although this difference can be understood in terms of the objectives of each institution, those involved with the MSME group such as policy makers, consultants, and decision makers will face difficulties in carrying out their duties.

As is the case, the difficulty in collecting accurate and consistent data, measuring the contribution of UMKM to the economy, and designing focused and directed regulations/policies. Therefore, efforts to make criteria that are more relevant to current conditions that are universal throughout Indonesia need to be made.

4. Local regulation

Legislation, according to Bagir Manan, is every written decision issued by an authorized official or office environment that contains rules of conduct that are generally binding or binding. What is meant by "authorized" is one who has (executes) a legislative function, as expressed in the meaning of statutory regulations, it is stated that statutory regulations are every written decision made,

⁶⁰Lihat ketentuan Pasal 6 Undang-Undang Nomor 20 Tahun 2008 tentang Usaha Mikro, Kecil dan Menengah.

determined, and issued by institutions and or State Officials who have (execute)) legislative functions in accordance with applicable procedures⁶¹.

As stipulated in Article 1 point 7 and number 8 of Law Number 12 of 2011 concerning the Establishment of Legislation, Provincial Regulations and Regency/City Regional Regulations. Where Provincial Regulations are Legislations established by the Provincial Regional People's Representative Council with the mutual consent of the Governor⁶². Meanwhile, Regency/City Regional Regulations are statutory regulations established by the Regency/City Regional People's Representative Council with the joint approval of the Regent/Mayor.

Regional regulations have various functions whose existence can be actualized. The functions of the Regional Regulation, among others:

- 1) As a policy instrument to implement regional autonomy and assistance tasks as mandated in the 1945 Constitution of the Republic of Indonesia and the Law on Regional Government.
- 2) As an implementing regulation of laws and regulations that are higher in hierarchy than regional regulations.
- 3) As a place for regional specificity, diversity, as well as channeling community aspirations in regions whose regulations remain within the corridors of the Unitary State of the Republic of Indonesia, which is based on Pancasila and the 1945 Constitution of the Republic of Indonesia.
- 4) As a development tool (a development tool) in improving the welfare of the region in various aspects of community, national and state life.

⁶¹ Bagir Manan. 1992. *Dasar-dasar Perundang-undangan Indonesia*. Ghalia Indonesia, Jakarta p. 13.

⁶²Lihat ketentuan Pasal 1 angka 7 dan angka 8 Undang-Undang Nomor 12 Tahun 2011 tentang Pembentukan Peraturan Perundang-Undangan.

5. Philosophical, Sociological and Juridical Foundation

Pancasila is the philosophical basis for all products of legislation in the Republic of Indonesia as embodied in the 1945 Constitution of the Republic of Indonesia. Every society always has *rechtsidee*, namely what people expect from the law, for example the law is expected to guarantee justice, benefit and order as well as welfare.⁶³ The ideals of law or *rechtsidee* grow in society's value system about good and bad, their views on individual and community relations and so on, where the law is expected to reflect the value system both as a means to protect values and as a means to realize them in people's behavior.

Therefore, in the Republic of Indonesia which has the legal ideals of Pancasila as well as the fundamental norms of the state, the regulations to be made, especially the Regional Regulations concerning the Empowerment of UMKM should be colored and flowed with the values contained in the legal ideals. The legal ideals in regulating Micro, Small and Medium Enterprises, among others are the principles of economic democracy, balance, public benefit, justice, independence as well as transparency and accountability.

1. The principle of economic democracy implies that every citizen has the same rights and obligations in exploring and developing their potential in an effort to improve the economy.
2. The principle of balance contains the notion of balance between the functions of interrelated aspects, such as; social function, environmental function, and economic function.
3. The principle of public benefit implies that the management of UMKM is carried out to provide the maximum benefit for the public interest in an effective and efficient manner.
4. The principle of justice implies that Micro, Small and Medium Enterprises are carried out equitably to all levels of society, so that every citizen has the right to get the same opportunity and treatment to play a role in improving the economy.

⁶³Jimly Ashiddiqie. 2006. *Perihal Undang-Undang*. Konstitusi Press, Jakarta, p. 23.

5. The principle of independence implies that Micro, Small and Medium Enterprises are carried out by taking into account the capabilities and advantages of business actors.
6. The principle of transparency and accountability implies that Micro, Small and Medium Enterprises are conducted in an open and accountable manner.

Furthermore, in legal studies or sociological legal research, law is conceptualized as a social institution that is actually related to other social variables. If law as an empirical social phenomenon is studied as an independent variable/cause (independent variable) that causes influence and consequences on various aspects of social life, the study is a socio-legal study of law (socio-legal research). However, if law is studied as a dependent variable that arises as a result of various forces in social processes, the study is a sociology of law study.⁶⁴

Associated with the legal study of small business management in Bandar Lampung City, in total there are 10,479 MSME business actors with various types of businesses, so sociological studies are very useful in the context of drafting a statutory regulation that will regulate it, that every legal norm as outlined in the legislation The invitation must reflect the demands of the needs with the reality of the legal awareness of the community. The sociological basis is that every legal norm set forth in the law must reflect the demands of the community's own needs for legal norms that are in accordance with the reality of public legal awareness. Thus, the legal norms contained in the law can later be implemented as well as possible in the legal community it regulates.

Sociological studies of the preparation of the Draft Regional Regulation for the Management of UMKM are the problems that are being and will be faced by UMKM, especially in the city of Bandar Lampung. The form of policy can be generalized from SWOT

⁶⁴Soejitno Irawan. 1983. *Teknik Membuat Peraturan Daerah*. Bina aksara. Jakarta. 1983. p.9.

strategies, especially TW strategies. The TW strategy is the most important strategy because this strategy can reduce the weaknesses of UMKM when facing threats that can destroy the existence of UMKM.

While the juridical or normative basis of a rule or rule if the rule is part of a certain legal rule which in the legal rules points one to another. Such a system of legal rules consists of an entire hierarchy of specific legal rules that are based on general legal rules. In it the lower special legal rules are derived from higher legal rules.

The legal basis for the regulation used in the Bandar Lampung City Regional Regulation Draft concerning the Management of Micro, Small and Medium Enterprises, includes Article 18 paragraph (6) and Article 33 of the 1945 Constitution of the Republic of Indonesia, Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises, Law Number 12 of 2011 concerning the Establishment of Legislation, Law Law Number 23 of 2014 concerning Regional Government, Law Number 11 of 2020 concerning Copyright, Government Regulation Number 24 of 2019 concerning Provision of Incentives and Ease of Investment in Regions, and Government Regulation of the Republic of Indonesia Number 6 of 2021 concerning Implementation of Business Licensing in Regions.

6. The Urgency of Establishing Regional Regulations on Micro, Small and Medium Enterprises

The role of micro, small and medium enterprises (UMKM) in the Indonesian economy has been recognized by the wider community as the country faces the challenges of a prolonged economic crisis. The real economic crisis has caused the collapse of the national economy, especially large-scale businesses in all sectors including industry, services and trade. The next real impact is the increase in the number of unemployed, where until the end of 2020, according to BPS, there were 7.7 million new unemployed, from 117,370,485 of the workforce or around 6.56% of the total

workforce.⁶⁵ Thus, it can be seen that the number of business actors based on a national scale of business based on the number of workers each year continues to develop. The most dominating business actors in Indonesia are on the MSME scale where in 2020 the number of business actors increased by 3.73% from the previous year and on this scale always occupies the largest number of business actors. Meanwhile, on a large scale business, it decreased by 1.81% from the previous year⁶⁶.

Referring to these data, the role of UMKM is very important, so the existence of UMKM needs to be maintained and empowered so that UMKM are empowered and develop. Referring to the data in various media, it would not be an exaggeration to say that the empowerment of UMKM is a must if you want to build the nation's economy that is in favor of the people.

The business world which consists of small, medium and large businesses is a business actor that is needed in driving the wheels of the economy. The three business actors will be synergistic (mutually beneficial) if the three of them can cooperate with each other in the framework and spirit of advancing together to build the nation's economy. in various types of businesses. The crucial problem in the efforts to develop UMKM is the accuracy of the guidance and the weak coordination between related institutions in addition to the lack of a data base. So that,

Other factors that are estimated to affect the performance of UMKM include management quality, ability to penetrate the target market, financial resilience, and the low use of skilled and competent personnel (especially in mastering technology in their business fields). Whereas the performance of UMKM is relatively more able to withstand various changes in macroeconomic variables. Some of the things that are the main problems for UMKM and the Informal sector in Bandar Lampung City which can be used as guidelines in the formulation of regional regulations on UMKM can be categorized into a number of strategic issues, namely:

a. Capital.

⁶⁵Data Badan Pusat Statistik Tahun 2020.

⁶⁶Data Badan Pusat Statistik Tahun 2020.

In terms of capital, the problems are:

1. Difficulty in accessing the Bank due to the inability to provide the requirements to be Bankable. However, not all UMKM and the informal sector can meet the collateral requirements. Thus, many UMKM have not been caught.
2. The ignorance of UMKM on how to obtain funds from sources other than banking, which can be an alternative financing.
3. Unavailability of capital at the time the order came. This means they need funds quickly to fulfill orders. This is not possible through banking, because the time it takes from application to disbursement of funds can reach 2-3 months, not to mention if the credit application is rejected which can lead to loss of profit opportunities. Usually they find a way to get quick funds, namely by borrowing fellow entrepreneurs or moneylenders.

b. Marketing.

As for marketing, it is more because:

1. The difficulty of market access is due to limitations, including reading market tastes, getting to know competitors and their products, positioning their products in the market, recognizing product weaknesses among competitors' products.
2. HR limitations. For Micro and Small Enterprises, in general, the owners still carry out all activities themselves or are assisted by several employees such as production or production supervision, so that looking for markets becomes neglected.
3. Product standardization is weak, this causes orders to be returned (returns) because the quality of the product produced does not match the specifications at the time of order
4. The loss of customer trust due to the inability to meet large demand, among others, due to the unavailability of funds to meet the demand.
5. Especially for the informal sector, selling sometimes still moves from place to place, because selling in locations that are prohibited from selling.

c. Permissions

Issues related to licensing issues are:

1. Peace and comfort in doing business is disturbed only by a number of informal levies that create unproductive conditions.
2. Business continuity does not have a clear direction because there is no guarantee in doing business, both in terms of legality and physical guarantees (collateral).

d. Business competition

Problems related to the issue of business competition, are:

1. Production results do not get guaranteed copyright protection so that product plagiarism occurs. Limited information in accessing product design technology and access to market opportunities.
2. Low image of the business being run so that it is marginalized by a less favorable attitude, especially regarding the quality of products and services.
3. Accessibility to product certification bodies is hampered so that it is difficult to market products in a wider market reach.

Thus, it can be concluded that the existence of UMKM is one of the forms of the people's economy, its existence in the era of regional autonomy is a potential that must be explored and developed because it can absorb a massive number of workers and can improve people's welfare as the objectives of regional development. This kind of condition was also experienced by the Bandar Lampung City Government, especially during the Covid-19 pandemic, UMKM were able to grow and develop, especially in supporting the regional economy in Bandar Lampung City. However, in terms of legal certainty, UMKM in Bandar Lampung City obtain legal certainty and guarantees from the Regional Government, especially regional regulations. Until now, in Bandar Lampung City there are no Regional Regulations or Regional Head Regulations regarding UMKM.

Therefore, it needs serious attention from policy makers in Bandar Lampung City, especially the City Government of Bandar Lampung and the Regional House of Representatives of Bandar

Lampung City to formulate policies as well as regional regulations related to UMKM. Where efforts to manage UMKM do not only involve issues of capital and accessibility, but also involve broader policies regarding business licensing and partnerships with financial institutions which are expected to be facilitated by the Regional Government by linking the needs of MSME business actors with banks and service institutions. other financial institutions to participate in facilitating the growth and development of UMKM in Bandar Lampung City through the establishment of regional regulations.

C. Closing

1. Conclusion

The existence of UMKM is a real reality, and even acts as a support for the running of the economic sector, especially for the City of Bandar Lampung during the Covid-19 pandemic, which is seen from the ability to absorb labor, the potential for income generated, and the driving force for economic growth. However, this potential faces serious challenges, especially in terms of marketing, capital, facilities and infrastructure, licensing and institutional support. These problems are faced by both UMKM although there are differences in the scope of the problems.

In particular, micro, small and medium enterprises face problems in terms of marketing, capital and institutional support to expand access to promotion, capital, and workforce qualifications. Micro, small and medium enterprises also face problems related to business competition, where small businesses feel competed by the informal sector (especially street vendors) because street vendors are more accessible to buyers, are able to offer lower prices, and produce bulk products. have a wider market segment. Therefore, it is necessary to emphasize the alignment of small business actors and the informal sector through the clarity of the priorities of the target groups and which forms of protection will be taken, for example for the informal sector,

The existence of UMKM is one of the forms of the populist economy, its existence in the era of regional autonomy is a potential that must be explored and developed because it can absorb a massive number of workers and can improve people's welfare as the objectives of regional development. This kind of condition is also experienced by Bandar Lampung City with its industrial and service potential, so policy makers, especially the Bandar Lampung City Government, must be able to encourage an increase in the number of small business units, both small industry and the informal sector as well as form regional policies and regulations related to UMKM. Considering that the management efforts of UMKM are not only about capital and accessibility,

2. Suggestion

Given the complexity of the problems faced in the management of UMKM in Bandar Lampung City, it is necessary to immediately formulate policies and establish Regional Regulations concerning UMKM. With the hope that the problems that exist in the Bandar Lampung City Region can be resolved so that improving the quality of the community economy based on a people's economy can be realized.

Furthermore, it is hoped that the results of this study can be used as a reference in the formulation of regional policies and regulations, because an in-depth and comprehensive study has been carried out in the management of UMKM in Bandar Lampung City.

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IMPLEMENTATION OF INFORMATION TECHNOLOGY TO SUPPORT UMKM ACTIVITIES FOR STAR SHOPS

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Abstract

Bintang Kelontong Store which is a business unit in the trade sector of Micro, Small and Medium Enterprises (UMKM) that has implemented information technology (IT) in its trading operations. Business actors are required to be speedy and accurate in carrying out their business control processes, such as buying and selling transactions and the supply of goods.

By developing a computer-based inventory information system, it is useful to avoid overdemand and oversupply. The number of data items that are still separate and each has a very useful impact will make it difficult to get accurate information.

With the design of this IT-based system, it can help UMKM trading business actors in monitoring buying and selling activities as well as the supply of available goods, so that trading business activities can run efficiently.

Keywords : *trade, shop, information technology*

2. Introduction

1.1. Background of the problem

Bintang Kelontong Store is engaged in trading of basic necessities and materials located in unit 2, Tulang Bawang Regency, Lampung Province. With various product variations, it is necessary

to control between inventory and purchases as well as transaction processes that occur both in the short and long term.

In the control process problems arise, because all the activities of the trading process are still conventional so that the search for data or information needed for decision making by the store management is not optimal. This creates an imbalance between buying and selling. In reporting trading activities, there are always differences in calculations both in the store and in the warehouse.

Based on this, it is necessary to design an IT-based system that can assist UMKM trading business actors in monitoring buying and selling activities as well as the supply of available goods, so that trading business activities can run effectively and efficiently.

1.2 Purpose of Researcher

Objectives The objectives in this study are as follows:

1. Build an inventory information system using the application
2. Helping UMKM actors to be optimal in the trade control process

2.3 Benefits of research

The benefits of research are as follows:

1. assist the activities of recording the mutation of each type of inventory in the warehouse,
2. reduce the occurrence of human errors during the process of entering data items and all operational activities.
3. facilitate the process of supervision and control of store management so as to reduce the risk of losing goods or others
4. With this information system, it is expected to facilitate the process of processing inventory data or reporting which has not been optimal and is still conventional

3 Basic Theory

2.1 System

According to Kusri and Koniyo (2007; 5), the system is a network of interconnected procedures, gathered together to carry out an activity or to complete a certain rule.

The system can be interpreted as two or more components that interact with each other to achieve a goal, usually composed of subsystems that support a larger system. (Marshall B. Romney, Paul John Steinbart, 2014)

The definition of the system according to Mulyadi (2016:5), the system is "a network of procedures made according to an integrated pattern to carry out the company's main activities".

concluded that the system is a collection or set of components or subsystems and procedures that interact and depend on each other to achieve common goals.

2.2 Information

LaudondanLaudon (2010; 15), "Rather, the data is a stream of raw events, representing physical events or environments that occurred before being organized and arranged in a way that people can understand and use." Data is a collection of raw facts that represent events in the physical environment of an organization or business. Data is often not managed or organized in a way that humans can effectively understand. Data is a real-world representation of an object, such as humans, objects, animals, concepts, events, environments, etc., in the form of symbols, numbers, letters, images, sounds, texts, or combinations thereof. Data is raw material that has no meaning or has a direct influence on its users, so it needs to be processed to produce something more meaningful. Understanding information according to Romney and Steinbart (2015), Information is data that has been managed and processed to provide meaning and improve the decision-making process.

Understanding according to Krismaji (2015:14), Information is data that is "organized and already has uses and benefits".

The statement proposed by Tata Sutabri (2016: 36) The quality of information depends on three (3) things, namely accurate (*accurate*), timely (*timeliness*) and relevant (*relevance*).

2.3 Information Technology

The definition of information technology according to Sutabri (2014: 3) is as follows "Information technology is a technology that is used to process data, including processing, obtaining, compiling, store, manipulate data in a variety of ways to generate quality information, namely information that is relevant, accurate and precise time, which is used for personal, business, and government purposes and is strategic information for decision making. The definition of information technology according to Mulyadi (2014: 21) is as follows Information technology includes computers (both hardware and software), various electronic office equipment, supply factories and telecommunications."

Technology Information is a combination of computing and communication technologies that in the form of a system of software and hardware used to process, processing, obtaining, compiling, storing, manipulating data in various ways to produce quality information, namely relevant, accurate and timely information, which is used as a means of organizations to reduce uncertainty and personal, business, and government, besides that information technology can produce information that strategic decision making.

2.3 inventory

Inventories can be in the form of raw materials, auxiliary materials, goods in process, finished goods or spare parts. Planning an inventory data processing system is an important activity that gets special attention from company management, whether it's a trading company, factory company or service company because it has a large enough value and has an influence on the size of operating costs (Sutabri.T, 2012).

According to Manurung "Inventory (inventory) categorized as merchandise owned and stored for sale to customers. Inventory account in balance sheet as part of the current asset group (Current assets); while the merchandise that has been sold will be reported in the Income Statement as cost of goods sold (cost of goods sold) which will reduce sales revenue (sales revenue). Manurung (2011: 53)

5 Research Methods The

Method used in system development is the classical/*cyclewaterfall* with stages consisting of System Survey, System Analysis, System Design, System Development, System Implementation and System Maintenance (Yunindra 2017:61).

System design method using DFD (*Data Flow Diagram*). Sukamto and Salahuddin (2014: 288), "*Data Flow Diagram* is a graphical representation that describes the flow of information and the transformation of information that is applied as data that regulates the input (*input*) and output (*output*).

The data collection is carried out as follows:

1. Interview Method (*Interview*)

Interviews were conducted with the owner of the Bintang shop, along with the parties involved in trading activities.

2. Methods of observation (*Observation*)

Direct observation of the ongoing process flow at the star shop to obtain information which will later be processed into the inventory information system.

6 Discussion and Results

4.1 System Design The

System design method used in this research consists of Context Diagram, DFD (*Data Flow Diagram*) and ERD (*Entity Realtionship Diagram*).

1. Context Diagram Context

Diagram is an overall picture of the system process in outline. In the implementation of the *Information System Point Of Sale Using Barcode Technology* at the Adi Jaya Grocery Store, employees provide goods data, customer data, incoming goods data and sales data as input to the system. Then the system will generate a sales report which is given to the owner for authorization. *Context diagram of Information System Point Of Sale Using Barcode Technology* at Adi Jaya Grocery Store can be seen in Figure 1:

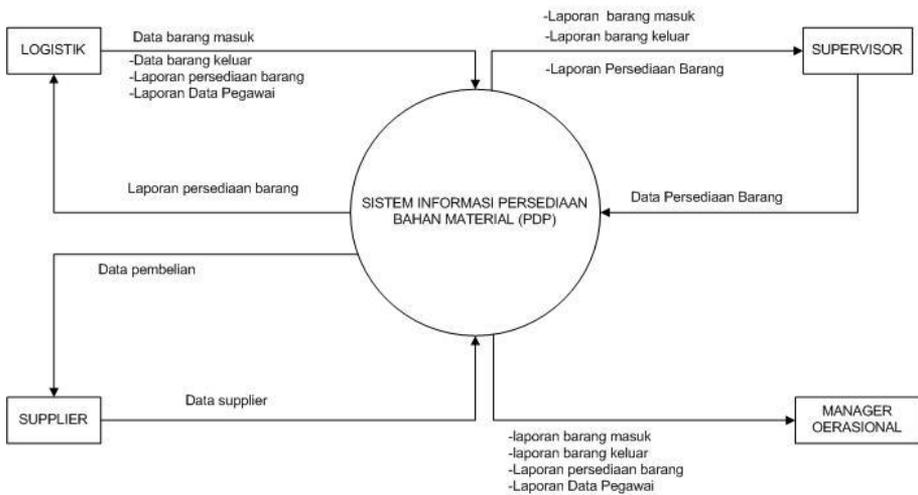


Figure 1. Context Diagram

2. DFD (Data Flow Diagram)

DFD (data flow diagram) or Data Flow Diagram describes the flow of data in the organization graphically includes the source / destination of data, data flow, transformation process and data storage. (Marshall B. Romney, Paul John Steinbart, 2014:60). The request letter for goods is submitted by the field implementer to the supervisor then the supervisor prints the goods out and is handed over to the logistics department to check the inventory data after the goods are complete, the logistics section makes a receipt for the goods which will be submitted to the supervisor to be used as material to load the goods report out which will be submitted to operational manager and another letter was handed over to the field implementer to pick up the goods.

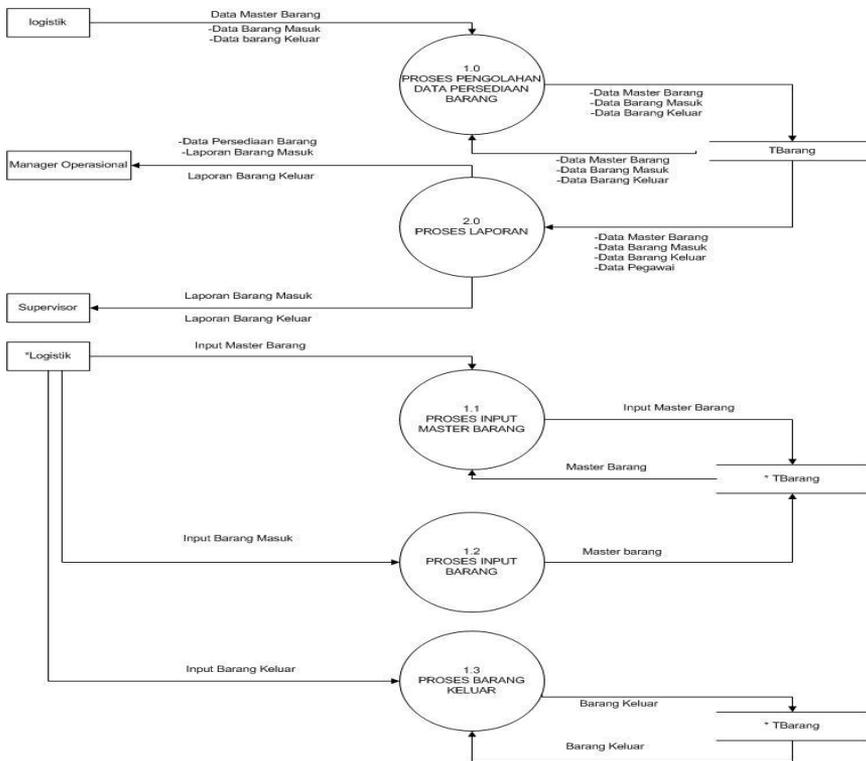


Figure 2. Data Flow Diagram

3. Relation Between Tables

The process of relations between tables is a grouping of data intotables that show entities and their relationships, which function to access data items in such a way that the database is easily modifiedcan be seen in Figure 4 below:

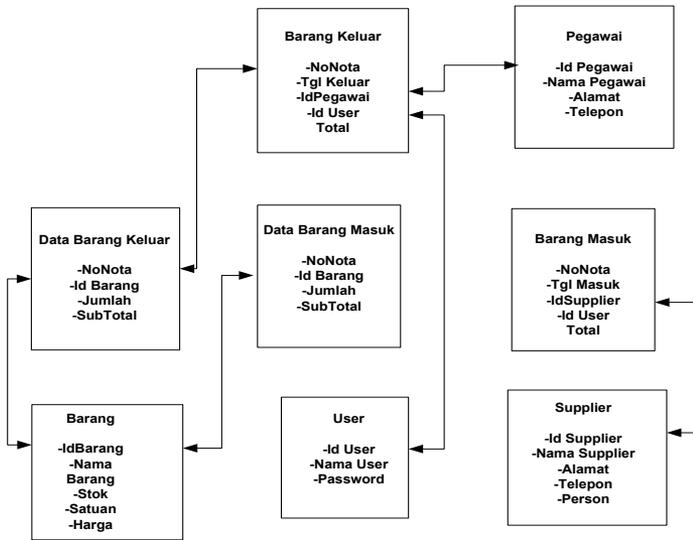


Figure 4. Relationships between Tables

4.2 Results

Based on the problems that have been found in the previous analysis process, a system is built that processes about financial statements. The following is an explanation of the program from the system that is ready to be used:

a. Login

The *login form* function to detect system usage in accordance with user access rights. This is useful for anticipating hacking and irresponsible use of the system that can result in misinformation. Implementation of the *login form* can be seen in Figure 5:

Figure 5. Display Login Form

b. Form Goods Data Input

The incoming goods data menu is a page that is used to view data on any items that enter the warehouse can be seen in Figure 6 and The stock data menu is a page used by the sales admin to view stock data that is still available as required information below:

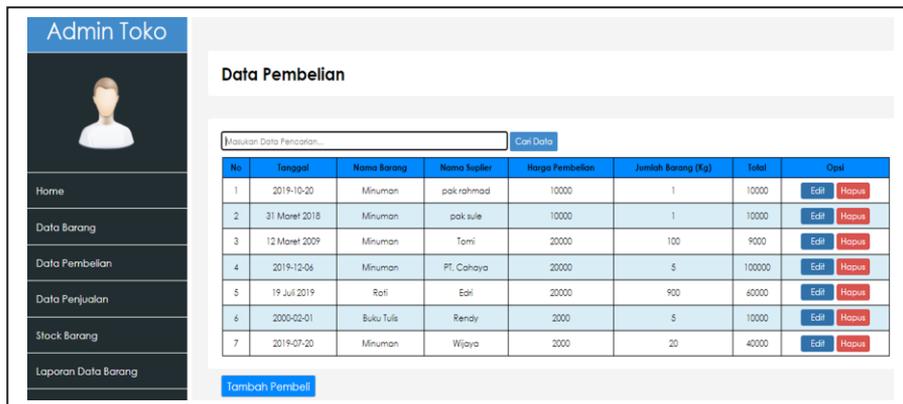


No	Nama Barang	Jenis Barang	Stok
1	Minuman	Minuman Soda	111
2	Makanan Ringan	Makanan Anak-anak	0
3	Roti	Roti Batu Kering	900
4	Buku Tulis	Ukuran Besar	12
5	Masker	Masker G14	2

Figure 6. Form Goods Data Input

c. Formpurchase of goods

Purchase data form is useful for knowing and managing the movement of goods in the store or in the warehouse. With this purchase data will maintain the process of controlling goods and avoid calculation errors.



No	Tanggal	Nama Barang	Nama Suplier	Harga Pembelian	Jumlah Barang (kg)	Total	Aksi
1	2019-10-20	Minuman	pak rahmad	10000	1	10000	Edit Hapus
2	31 Maret 2018	Minuman	pak.sule	10000	1	10000	Edit Hapus
3	12 Maret 2009	Minuman	Tami	20000	100	9000	Edit Hapus
4	2019-12-06	Minuman	PT. Cahaya	20000	5	100000	Edit Hapus
5	19 Juli 2019	Roti	Edi	20000	900	80000	Edit Hapus
6	2000-02-01	Buku Tulis	Rendy	2000	5	10000	Edit Hapus
7	2019-07-20	Minuman	Wijaya	2000	20	40000	Edit Hapus

Figure 7. Formpurchase of goods

f. Print Formpurchase data report

Formpurchase data report is the form that is Purchase report data serves to determine the level of purchase of goods in accordance with consumer demand and the condition of inventory in stores or warehouses.

No.	Tanggal	Nama Barang	Nama Suplier	Harga Pembelian	Jumlah Barang (kg)	Total	Aksi
1	2019-10-20	Minuman	pak rahmad	10000	1	10000	Edit Hapus
2	31 Maret 2018	Minuman	pak sule	10000	1	10000	Edit Hapus
3	12 Maret 2009	Minuman	Toni	20000	100	9000	Edit Hapus
4	2019-12-06	Minuman	PT. Cahaya	20000	5	100000	Edit Hapus
5	19 Juli 2019	Rofi	Edi	20000	900	60000	Edit Hapus
6	2000-02-01	Buku Tulis	Rendy	2000	5	10000	Edit Hapus
7	2019-07-20	Minuman	Wijaya	2000	20	40000	Edit Hapus

Figure 8. Formpurchase data report

6. Closing

The system built can simplify the process of data collection of incoming and outgoing goods, the data has been systematized making it easier to find the data needed, and the inventory system can reduce paper buildup.

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REVIEWING SMALL AND MEDIUM MICRO BUSINESS ACTIVITIES (MSMEs) FROM LEGAL ASPECT

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ABSTRACT

In the development of the economy in Indonesia in the Micro, Small and Medium Enterprises (MSME) sector, it is a business group that has a large number of opportunities compared to other business groups. In addition, this MSME business group is able to withstand various kinds of turmoil in the economic crisis. Therefore, it is necessary to make efforts to strengthen the MSME sector which involves many business sectors. One of the business criteria included in MSMEs has been regulated based on statutory regulations. From the results of the study, it can be concluded, in its implementation, the Government has issued several policies related to the economic slowdown due to the Covid-19 outbreak, namely by providing incentives in several sectors, adding days of collective leave, and reducing debt payments for MSME actors. Then, the government in this case also needs to provide support to continue to maintain the public's buying attractiveness in the midst of the Covid-19 pandemic so that it is expected to be able to provide convenience in the economic sector so that the benefits can be felt. By continuing to ensure the availability of raw materials, MSME business activities are not easily disrupted significantly and are able to increase their normal production as quickly as possible. Implementation efforts that have been carried out by the government, credit slack are also considered appropriate to ease

the burden on MSMEs. However, the leeway given to MSME actors, especially micro and small businesses, still needs attention, especially considering the current social distancing appeal from the government which indirectly has a major influence on small and micro businesses, which still require a lot of direct activities.

Keywords: Impact of Covid-19, Economic Slowdown, MSMEs Sector.

I. INTRODUCTION

A. Background

Indonesia is known as a state of law as stated in Article 1 paragraph (3) of the 1945 Constitution (UUD 1945), carrying out its duties and responsibilities for national economic growth in accordance with positive laws that apply to date. Where the duties and responsibilities are not only focused on the central government, but also have become the duties and responsibilities of local governments based on the authority that exists in them.⁶⁷

It is stated in Article 33 paragraph (1) of the 1945 Constitution of the Republic of Indonesia (UUD 1945) regarding national development which has the aim of improving the welfare of the people as a whole, not the welfare of certain individuals or groups. Therefore, the national economy needs to be classified as a joint effort on the basis of the principle of kinship to achieve the goals of prosperity and welfare of the people. To realize the welfare of the people, it is carried out through various efforts, one of which is increasing the competitiveness of the Micro, Small and Medium Enterprises (MSMEs) sector in Indonesia at this time.

In the field of Micro, Small and Medium Enterprises (MSMEs) it is one of the efforts in business activities which are expected to be able to increase employment opportunities and be able to provide broad services to the people, and are expected to be able to play a role in the process of leveling and increasing people's income, providing stimulus for national economic growth that plays a role in realizing national stability. Then, Micro, Small and Medium

⁶⁷Adi Susistyono, 2007, *Pembangunan Hukum Ekonomi Untuk Mendukung Pencapaian Visi Indonesia 2030*, Pidato Pengukuhan Guru Besar Hukum Ekonomi, UNS Sebelas Maret, Surakarta.

Enterprises (MSMEs) are one of the main foundations of the national economy which must get the main opportunity, support, protection and development as widely as possible as a form of firm alignment with several groups of economic business partners, without neglecting Big Business partners. and State-Owned Enterprises.

MSMEs have a strategic value role in strengthening the national economy, so the government in this case should pay more attention to strategies and policies for empowerment with priorities that are considered feasible in a group of business units that should be integrated in the business world nationally which can later increase tariffs. survival and competitiveness. MSMEs as the forerunner of entrepreneurship in the process, need to be given more careful attention from various aspects.

The MSME sector has an important collaboration to build regional and country economic growth, so MSMEs must get more attention from the government. Even though in its implementation, MSMEs have had a good impact on the national economy, they are still always faced with problems from inside and outside, in the fields of production and processing, resources, design, capital, as well as technology and business climate.

The role of Micro, Small and Medium Enterprises (MSMEs) is very strategic and is believed to be able to strengthen the community's economy nationally, so the government must pay more attention to strategies and policies for the development of SMEs. MSME actors.

The Covid-19 pandemic was present in Indonesia at the end of 2019 which quickly spread throughout the world. With the presence of the COVID-19 pandemic, it indirectly has an impact on the global economy, one of which is felt by the government in Indonesia. Starting from the basic needs needed in the household, the decline decreased due to the Implementation of Community Activity Restrictions (PPKM). PPKM is enforced by the government in Indonesia in order to limit community activities, especially preventing crowds in the community. With the delay that occurred in the MSME business activity sector, the development moved

significantly. In addition, there is a delay in the process of producing goods, so that MSME business income decreases.⁶⁸

Local governments have steps to implement all policies made and determined by the central government. For the process of implementing the policy, it can be started from setting the right goals and understanding the turmoil in the area in question. Starting from the stage of planning it must also be criticized so that in implementing policies it can guarantee the best quality and be able to create an area free from disease.⁶⁹

There are so many problems that are directly related to MSME business activities, ranging from structural allocation and control over resources, government alignments in efforts to develop community economic activities by implementing regulations to develop industrial strategies, oligopolistic market strategies, providing capital and facilitating access to financial institutions, in the field of technology, product promotion and all regulations related to development efforts provided by the government to improve the community's economy through MSMEs.⁷⁰

Due to the Covid-19 pandemic situation which has had a declining impact in the MSME activity sector, the government must pay close attention to efforts to overcome the problems that occur. Because the government in this case plays a major role in GDP and is expected to be able to expand employment opportunities, transforming goods completely into semi-finished products with the same value and quality.

Therefore, if the government has not taken action to save MSME activities, it is feared that it will have a bad impact on the national economy in Indonesia. One of them is the swelling of the unemployment rate, considering that MSME activities are able to absorb workers in Indonesia. Especially for people who work in the non-formal sector. This MSME activity is a tool for the government

⁶⁸ Achmad Alfin, 2021, *Analisis Strategi UMKM Dalam Menghadapi Krisis Di Era Pandemi Covid-19*, Jurnal Inovasi Penelitian Volume 1 (8) Januari 2021, hlm 1544

⁶⁹ Silvester Magnus Loogman Palit, 2020, *Perlindungan Hukum Melalui Kebijakan Terhadap UMKM Pada masa Pandemi Covid-19 di Kota Jayapura*, Jurnal Ius Publicum : Fakultas Hukum Universitas Cendrawasih, hlm 23.

⁷⁰ Musa Hubeis, 2015, *Prospek Usaha Kecil DalamWadahInkubatorBisnis*, (Bogor: Ghalia Indonesia), hlm. 1-2

to restore the national economy, so it is expected to have a good impact.

Micro, small and medium enterprises have different meanings. Referring to the MSME Law, the definition of a micro business is a business with a maximum asset of Rp. 50,000,000.- (fifty million rupiah) owned by an individual and/or a business entity that generates a turnover of up to Rp. 300,000,000.- (three hundred million rupiah).⁷¹

Small business is a business activity owned by an individual or an independent business entity (not a subsidiary or branch of a company) that has assets of Rp. 50,000,000.- (fifty million rupiah) to Rp. 500,000,000.- (five hundred million rupiah).) and generate an average turnover of Rp. 300,000,000.- (three hundred million rupiah) to 2.5 billion Rupiah.⁷²

Medium Business is a business owned by an individual or an independent business entity (not a subsidiary or branch of a company) that has a turnover of 2.5 billion to 50 billion Rupiah with assets owned, namely Rp. 500,000,000.- (five hundred million rupiah) up to 10 Billion Rupiah.⁷³

In providing capabilities, protection and opportunities for MSME activities, the government has set policies regarding business activities, lending funds, and their development is still not optimal. Because the policies implemented by the government have not been felt the benefits. Efforts need to be considered again to provide adequate facilities in empowering MSME activities.

B. Issue

The problems in this research are as follows:

1. How to implement the Micro, Small and Medium Enterprises (MSME) Policy in the Legal Aspect ?
2. How are the efforts to Implement Policies Micro, Small and Medium Enterprises (MSME) policies in the Legal Aspect ?

⁷¹ Fahmi Radhi, 2008, Kebijakan Ekonomi Pro Rakyat, Republika, Jakarta, Hlm 3.

⁷² *Ibid.*

⁷³ *Ibid.*

C. Research Methods

The research method used in this study is a normative research method, namely legal research that puts the law as a building system of norms, namely regarding legal principles, norms, rules of legislation, court decisions, agreements and doctrines.⁷⁴ The research was conducted by examining legal issues using existing library materials.⁷⁵

This study will analyze the implementation of micro, small and medium business policies in the study of legal aspects and Efforts to implement policies for Micro, Small and Medium Enterprises (MSMEs) in legal aspects.

II. DISCUSSION

A. Policy Implementation of Micro, Small and Medium Enterprises (MSMEs) in Legal Aspect

To overcome the problems that arise due to the COVID-19 pandemic, the government has issued a policy regarding the decline in economic growth in Indonesia, namely by providing discounts on debt payments, providing joint leave, and distributing incentives for MSME business actors. The government also provides convenience by opening a call center to accommodate reports and complaints for MSME actors affected by the Covid-19 pandemic. Members of the House of Representatives (DPR) have a function, one of which is in terms of supervision to provide stimulus to the government to take advantage of an area that is considered to provide opportunities for the government to establish boundaries for MSME activities in areas not affected by Covid-19, especially in the export sector. and imports. Then, the government must also encourage the public to be able to maintain the attractiveness of buying in the midst of the Covid-19 pandemic, thus providing convenience for national economic growth. The encouragement given is in the form of cutting electricity costs and reducing fuel prices. Providing

⁷⁴Mukti Fajar ND dan YuliantoAchmad. 2017. *Dualisme Penelitian Hukum Normatif dan Empiris*. Yogyakarta. Pustaka Pelajar. p.34.

⁷⁵SoerjonoSoekanto. 2009. *Penelitian Hukum Normatif Suatu Tinjauan Singkat*. Jakarta. Raja Grafindo Persada. p.13

production materials, namely basic materials and raw materials, to ensure that MSME business activities are not disrupted and are expected to be able to return to their normal position as quickly as possible.

In the government's effort to overcome the decline in numbers in the economic sector in Indonesia which also has an impact on MSME activities, by providing facilities in the form of debt discounts for MSME business actors is the right step to ease their burden. But the relief for MSME business actors must be considered again because considering the government's appeal about social distancing, it will indirectly have an impact on MSME business actors.

Therefore, with the increasing number of spread of Covid-19 cases in Indonesia becoming a nightmare for most MSME business actors, various policies that have been made and set by the government to suppress the spread of this case are carried out starting from physical distancing, social distancing, distancing, and Large-Scale Social Restrictions (PSBB) which indirectly have a significant impact on economic growth and have a direct effect on community activities.

When viewed from its characteristics, Small and Medium Enterprises can be categorized as follows:

1. Livelihood Activities, are business activities engaged in non-formal fields, such as the type of SME business activities that are often encountered are street vendors who feel the impact of this covid-19 very much.
2. Micro enterprise, namely SME business activities that are categorized in the field of crafts that have not been included in the characteristics of entrepreneurship, we still find many SME business activities in other tourist places that have not implemented the policies that have been made by the government. Some of these tourist attractions have been closed by the government due to social distancing and PPKM appeals.
3. Small Dynamic Enterprise, which includes all MSME business actors who already have an entrepreneurial spirit and have an attraction for the workforce so that they are able to export their

products. In this type of SME, many employees are laid off because they feel they are no longer able to produce their products. The current government has also limited export and import activities so that they are hampered.

4. Fast Moving Enterprise, namely SMEs that have become professional and have changed their small business activities into large enough business activities. This form of SME business activity, although it is categorized as quite large, will also be affected by the COVID-19 pandemic, which means that almost all types of business fields will be affected by the spread of COVID-19.⁷⁶

Thus, the government in this case already has a way to suppress the spread of COVID-19 so as not to further disturb MSME business actors. These methods are:

1. Providing convenience for MSME business actors who have difficulty paying credit debts to financial institutions.
2. Financial institutions must swiftly provide new concepts, especially regarding stock investment and capital provision so that the application process can be more easily affordable, especially for areas that are categorized as being in the red zone area.
3. Providing social/intensive assistance in the form of basic necessities and others, to MSME business actors and communities affected by the spread of COVID-19.
4. MSME business actors provide opportunities so that they can continue to produce in the agricultural, household, and clothing, food and basic sectors while still complying with health protocols.
5. Sanction policies that have been set by the government will be imposed on people who still violate these provisions. Therefore, it is hoped that the community can comply with the regulations and not violate the provisions made by the government.⁷⁷

⁷⁶Maya Intan Pratiwi, 2020, *Dampak Covid-19 Terhadap Perlambatan Perkonomian Sektor UMKM*, Jurnal Ners Volume 4 (2) Tahun 2020, hal. 30-39.

⁷⁷*Ibid.*

In implementing the policies that have been made by the government for MSMEs in order to ensure protection from legal aspects, there are several principles in it. Namely:

1. The economic principle in the 1945 Constitution, this principle is as formulated by the founding fathers or the 1945 Constitution makers who have carefully thought about the economic building for the Indonesian nation, through the principles of the national economy.
2. The principle of protecting national interests. The provisions in Article 33 paragraphs (2) and (3) of the 1945 Constitution are regulated regarding state control over production branches that fulfill national interests. Control as a form of national interest. State control over these production branches is based on efforts to protect the interests of the people in order to meet primary needs and the behavior of bad entrepreneurs who control resources in the form of a monopoly. It should be pointed out that the principle of protecting the national interest that has been established means that there is a public interest which should not be counterproductive to the principle of freedom of contract. This means that for the sake of public and national interest, the freedom of contract for business actors is not getting narrower in business activities.
3. The principle of protection in international law and civil law. In the aspect of national law, it also tries to provide a stimulus in order to increase the competitiveness of product quality by taking into account the principles of international legal protection. Such protection can affect the quality of the economy and the activities of other countries regarding the marketing of domestic and foreign products. With the existence of national and international law as a protection for global activities in trade, both national and international, it is able to facilitate facilities and infrastructure with mutual respect in accordance with the principle of *pacta sunt servanda*, namely the agreement that has been agreed to apply as law for the party who makes the agreement.

4. The principle of protection. To continuously develop businesses in the MSME sector, especially for small entrepreneurs, the government has established policies regulated in Law Number 9 of 1995 concerning Small Business in conjunction with Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises for small entrepreneurs, so that small entrepreneurs and the supporting components of economic policy, as well as from the large industrial sector can also influence.
5. GATT national development principles. For the purposes of the national economy, the government must be able to provide protection for domestic or foreign persons who commit fraudulent acts.
6. Principles in business competition. A strong and greedy entrepreneur in various ways seeks to dominate the national, regional and international markets.⁷⁸

Based on existing policies, the most important thing is the creation of a small business climate. This is formulated in Article 8 letter G of Law Number 9 of 1995 concerning Small Business and Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises which is carried out through the stipulation of legislation and policies that are given from the legal aspect for the economy. weak. However, the law does not specify the form of legislation that must be issued to be able to regulate and carry out further legal protection that must be given to MSMEs.

Therefore, part of the effort to protect MSME business actors with welfare goals made by the government, namely:

1. Procedures for granting business licenses that can make it easier for MSME business actors to be more advanced and able to compete in their business fields. Because so far, it is difficult for MSME business actors to obtain business permits;
2. Procedures for developing MSME businesses that must be further improved. In this case, it requires an important role from the government to provide encouragement in developing its

⁷⁸Andrew Betlehn, Prisca Oktaviani Samosir, 2018, Upaya Perlindungan Hukum Terhadap UMKM di Indonesia, Jurnal Law & Justice Volume 3 (1) April 2018, hlm 7.

- business, this can be started by increasing human resources to the quality and quality of the business products;
3. Business actors in MSME activities are the number one thing for the government to continue to maintain the public's purchasing power. Because considering the COVID-19 pandemic, which continues to increase so that MSME businesses do not die;
 4. The time limit given in developing MSME businesses must have clear goals and definite achievements. The time limit given is expected to be able to make MSME business activities stronger in their duties for the welfare of the people;
 5. The strategy of MSME business partners must also have a way to market the products they produce. So that the entry and exit of products can be directed and have clear goals in the traditional, national, and international markets;
 6. The implementation of coordination in controlling MSME businesses, both regional and central, must run parallel so that there is no lameness in the profit and loss obtained by MSME business actors.
 7. Procedures for administrative sanctions for MSME business actors, who commit fraudulent acts, or monopolistic actions against these business activities.⁷⁹

Matters relating to the principle of legal objectives in order to obtain legal certainty, justice and utilization. So the government should provide free legal aid services for underprivileged MSME business actors as well as tax relief. Because in this case the law takes a role in ensuring certainty and justice for the community, not just a mere concept. However, the law also has a function in accelerating the development of the national economy. Based on the theory put forward by Mochtar Kusumaatmadja, that the law is expected to be a means of reforming the people who have the aim of obeying the rules that have been made by the government and maintaining order in running MSME business activities which are considered necessary for renewal.

⁷⁹Abi Jumroh harap, 2015, *Analisis Hukum Pemberian Kredit Terhadap UKM di provinsi Sumatera Utara*, Jurnal Pendidikan Ilmu-Ilmu Sosial Volume 7 (2) : Maret 2015, hlm. 22-23.

B. Efforts to implement policies for Micro, Small and Medium Enterprises (MSMEs) in the Legal Aspect

In the Joint Decree that has been made by the government and the three ministers Number 174 of 2020 and Number 1 of 2020 concerning Changes to National Holidays and Joint Leave in 2020, it provides holidays and joint leave which were originally 20 days to 24 days. The four days in question are May 28 and 29 as a day of leave with Eid Al-Fitr, August 21 as a day of leave with the Islamic New Year, and October 30 as a joint leave to commemorate the birthday of the Prophet Muhammad SAW. By giving this national holiday, it can give encouragement to MSME business actors so that they can increase.⁸⁰

All efforts made by the government to save MSME business activities, Mr. Teten Masduki as the Former Minister of Cooperatives and MSMEs in Indonesia gave good steps to protect MSME business activities in the midst of the spread of COVID-19, namely:

1. Prioritizing indigenous products by providing everything they need. So this will continue to maintain the existence of products created by MSME business actors.
2. In carrying out their business activities, MSME actors continue to apply the government's appeal regarding social distancing by complying with health protocols.
3. Financial institutions assist MSME business actors and the community by providing loan interest rate relief so that they are expected to help ease their burden during the COVID-19 pandemic.
4. Providing convenience to take care of all the necessary requirements while still paying attention to the ability of MSME business actors and the community so that they cannot pay the loan.

⁸⁰Leurensius Arliman S, 2017, Perlindungan hukum UMKM Dari Eksploitasi Ekonomi Dalam Rangka Peningkatan Kesejahteraan Masyarakat, Jurnal Rechts Vinding media Pembinaan Hukum Nasional Volume 6 (3) Desember 2017, hlm. 389-390.

5. Must obey the health protocols that have been recommended by the government by using masks, washing hands and so on. So that it is able to minimize the possibility of its business closing due to the spread of Covid-19.⁸¹

The solutions mentioned above are indeed believed to be able to minimize and make MSME business actors more enthusiastic, but during this time of the spread of Covid-19, they are very careful, so that the concerns of the community and especially MSME business actors continue. In the period of the spread of COVID-19, MSME business actors find it very difficult to distribute their products, reduce profit rates, and reduce goods production resulting in higher unemployment rates.

The faster the spread of covid-19 in Indonesia, also has an impact on the sector of other financial institutions such as the Financial Services Authority (OJK) also said that, in an effort to reduce the spread of COVID-19, financial institutions will make it easier for all forms of transactions for perpetrators. MSME business. As also conveyed by Mr. Wimboh Santoso as Chairman of the OJK Board of Commissioners, that the relief provided is in the form of delaying the payment of principal debt installments by prioritizing the interest rate on the loan.⁸²

Therefore, the role of the government is urgently needed to continue to assist MSME business activities that have been affected by the spread of COVID-19. All forms of assistance are highly expected by the community and MSME business actors who are currently feeling the impact of the spread of the outbreak. Such as opening a hotline through a call center at the social service as well as at the ministry of cooperatives and SMEs so that they can find out firsthand how things are happening in the field.

Various actions that have been taken by the Government, are still prioritizing businesses in the tourism sector which have the greatest impact on MSME business activities. Then by cutting credit

⁸¹ *Ibid.*

⁸² Ahmad Muharrom. 2020. *Adu Strategi dan Lentur Menghadapi Kondisi Perekonomian*, Rajawali Press, Jakarta. Im 13

interest rates, it has really helped reduce the burden on MSME business actors. However, the waivers given to MSME business actors, especially small or micro businesses, must be paid special attention to by the government because the policies issued regarding social distancing are now indirectly felt by MSME business actors.

In carrying out their duties and responsibilities, the government and their respective ministers carry out all activities related to efforts to overcome the impacts caused by the spread of COVID-19. One of them is first, in the ministry of cooperatives and SMEs which are classified into 3 (three) namely all management of activities from one another so that they move to carry out their duties to achieve their goals and synchronize the programs that have been made by the government, secondly in the field of cooperatives the government carries out its activities for SMEs. and policy regulations made on the development of MSME business activities.

The role of the government in regulating micro, small and medium enterprises (MSMEs) has been carried out before the pandemic period, as we know MSMEs are regulated in the Republic of Indonesia Law Number 20 of 2008 concerning MSMEs. These laws and regulations also regulate the role of the government in developing MSMEs, including:

1. The Regional Government supervises and controls the people who are involved in MSMEs to be given the opportunity to develop their business.
2. Local governments participate in promoting MSME products.
3. The Regional Government provides facilities for MSME actors to develop their businesses. The facilities provided include the fields of production and processing, marketing, human resources, to design and technology.
4. The Regional Government shall establish regional regulations in providing references for MSME actors to develop their businesses based on the procedures for developing products and services.

5. Local governments facilitate MSME financing in the form of lending funds for MSMEs, grants, and other types of financing that are legal and non-binding.
6. Local governments facilitate business licensing for MSMEs which include business permits, facilities and infrastructure, as well as cost incentives for MSMEs that meet the requirements.
7. The Regional Government cooperates with the Ministry of Cooperatives and SMEs of the Republic of Indonesia to promote MSMEs to establish partners both nationally and internationally so that MSMEs have access to develop their businesses.
8. The Ministry of Cooperatives and SMEs of the Republic of Indonesia monitors the partnership relationship between MSME actors through the National Business Partnership Coordination Agency.
9. There are conditions for MSME partners in establishing partnerships.
10. There is an administrative sanction if there is a violation based on the Law of the Republic of Indonesia Number 20 of 2008 concerning Micro, Small and Medium Enterprises.⁸³

III. CLOSING

Based on the results of the research and discussion above, the following conclusions can be drawn:

1. The government has set regulations regarding delays in growth in the economic sector caused by the impact of the spread of the covid-19 virus, namely by providing assistance in the tourism sector, adding joint leave, and easing transactions by cutting debt installment payments for MSME business actors. Then, the government is to make it easier for the community and MSME business actors to receive complaints and reports that have an impact on the spread of COVID-19. Members of the House of Representatives take advantage of one of their functions in supervision to provide stimulus to the government by utilizing areas that have not been affected by the spread to form MSME

⁸³Sintya.2009. *Usaha Kecil MenengahsebagaiPotret UKM Indonesia*, Gramedia. Jakarta.
hlm 11

points in areas that are not exposed to the spread of COVID-19. Then the government is deemed necessary to provide encouragement in order to maintain the purchasing power of the people during this pandemic to provide relief to the economic sector so that the benefits can be felt. The push is in the form of cutting electricity costs and cutting fuel costs. By guaranteeing the results of production materials so that all MSME activities are not easily disturbed and are expected to be able to return to normal as soon as possible.

2. To prevent the further decline of the economy in Indonesia due to the impact of the spread of Covid-19, the government has made efforts to prioritize the tourism sector because it is considered to have a major impact on the field of MSME activities. In addition, by providing interest rate fee waivers, it is considered very appropriate to reduce the burden on MSME business actors. However, assistance provided to MSME businesses, especially small or micro businesses, must always be considered because of the policies issued by the government regarding social distancing which indirectly have an influence on small or micro business actors.

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ANTI-DUMPING: REGULATIONS IN INTERNATIONAL LAW AND INDONESIAN POLICY IN SUPPORTING INDONESIA MSMEs

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Abstract

Globalization demands regional integration from all fields. One of them is economics. Trade is one form of economic activity. The goal of trading is profit optimization. However, the practice of dumping continues to disturb this activity. Because according to the WTO, this practice threatens to harm established businesses in the importing country. Indonesia is a developing country that continues to build its economy. One of its policies is to prioritize MSMEs as a foundation in its economy. In practice, price competition is certainly one of the weapons for entrepreneurs to continue to develop their business. This can also have an impact on MSMEs who continue to expand their business to foreign markets. This paper wants to discuss how to regulate dumping from the point of view of international law and Indonesian law in supporting MSMEs? In the course of its journey, anti-dumping arrangements continue to develop and are expected to be able to become an instrument in the legal field that is a supporter in strengthening the MSME industrial sector which is a pillar for the Indonesian economy.

Keywords: Anti-Dumping, WTO, EU, Indonesia Trading Law, MSMEs

INTRODUCTION

Friedman describes, the purpose of globalization is to increase global integration, be it in terms of economics, information technology, the spread of popular culture, and other forms of human interaction.⁸⁴ It enables us, wherever we live, to reach all corners of the world faster and cheaper than ever before and at the same time allows the world to reach each of us further, faster, deeper and cheaper than ever before.

Trade is one form of economic activity that we can see directly. We have seen this trading activity for a long time. Since the centuries BC until now, until the term *lex mercatoria* (law of Merchant) emerged, and finally formed an international law in the field of trade and finally created special institutions for this international trade.⁸⁵

In theory, as Friedman argues, globalization has contributed to the development of this international trade. With the transportation technology that is getting faster and cheaper, making activities between these countries even faster. With increasingly sophisticated internet technology, such as teleconference, negotiations are increasingly faster and more effective and do not require us to come face to face.

The main objective of international business is the accumulation of maximum profit (optimum profit). This goal is a basic characteristic of international trade which has developed from just a trajectory of exchange of products between countries, to a more complex essence, namely a means of fulfilling the national interests of countries, including sources of foreign exchange, market expansion, means of capital accumulation and profits of producers engaged in that field.⁸⁶

However, technically, there are several things that are troubling, one of which is the practice of dumping, which is selling export goods at a lower price than the price of goods

⁸⁴ See Friedman.2002. *Techno Logic*, Foreign Policy, p. 64. Also see, Friedman. 1999. *Understanding Globalization*, Farrar, Straus dan Giroux, New York.

⁸⁵See, Huala Adolf. 2013. *Hukum PerdaganganInternasional*, PT. Raja GrafindoPersada, Jakarta., p. 25-29.

⁸⁶ See, Wolfgang Friedman. 1964. *The Changing Structure of International Law*, p.11

domestically.⁸⁷ And this practice, according to the World Trade Organization (WTO), can result in or threaten material losses for established industries in the dumping recipient country.⁸⁸ That is, this practice is an attempt to seize the market from its competitors who also sell similar products. For example, a businessman from country A sells goods X to country B. Entrepreneurs from country B also produce and sell goods X in their country. However, the entrepreneur in country A sells goods X cheaper than country B, so the business of the entrepreneur in country B can be threatened with losses from the sale of the entrepreneur in country A, because it loses its market. In fact, of course, people will buy cheaper goods, for various reasons, one of which is being able to save money.

Indonesia as a developing country, continues to develop its economy. One that is relied on is by focusing its policies on Micro, Small, and Medium Enterprises (hereinafter written as MSMEs). MSMEs as a foundation in the economy is the right policy if the regulations continue to be adjusted to the development of society. Of course, in fact, MSMEs in developing their business will continue to expand their business, and if possible they will also look for markets in other countries, of course with competitive prices.⁸⁹ But is this legal protection for MSMEs really possible to expand abroad?

Several cases, for example, in 2015, Indonesia was accused of dumping by the United States (US) regarding paper exports, because the US paper industry was worried about Indonesia's paper export potential.⁹⁰ Long before that, in 2008, it was reported by Tempo that Indonesia was most vulnerable to being accused of dumping, because the price in the destination country was higher than the price in Indonesia, and the sectors that were often accused of dumping were: paper, glass, and garments.⁹¹ And in 2019, the

⁸⁷ Richard Dale. 1980. *Anti-Dumping Law In A Liberal Trade Order*, The MacMillan Press LTD, London, p. 1.

⁸⁸ Article VI paragraph 1, GATT/WTO

⁸⁹ YuliantoSyahyu. 2014. *Hukum Anti-Dumping di Indonesia: Analisis dan Panduan Praktis*, Ghalia Indonesia, Jakarta, p. 8.

⁹⁰ "AS Menuduh Dumping Kertas dari Indonesia", Kementerian Perindustrian, Jumat, 13 Februari 2015, <<https://kemenperin.go.id/artikel/11123/AS-Menuduh-Dumping-Kertas-dari-Indonesia>>

⁹¹ "Produk Indonesia Sasaran Tuduhan Dumping" Tempo.co., Rabu, 12 Maret 2008, <https://bisnis.tempo.co/read/119138/produk-indonesia-sasaran-tuduhan-dumping>

Ministry of Trade recorded 328 cases of dumping accusations against Indonesia.⁹²

The country that most accuses Indonesia of dumping is India, with up to 54 charges. Then the US and the European Union (EU) each have 37 charges. Not only that, Australia also charged with 28 cases, Turkey with 23 charges, Malaysia with 19 charges, the Philippines with 15 charges, South Africa with 14 charges, Brazil with 11 charges and from various other countries with 90 charges.⁹³

But local Indonesian businessmen have also experienced the same thing, namely that Indonesia has been the target of dumping as well, from other countries. Several local Indonesian flour producers have accused of dumping imported wheat products from Australia, Sri Lanka and Burma.⁹⁴

Allegations of dumping and various anti-dumping sanctions, especially from the European Commission, have an impact on the decline in the competitiveness of Indonesian exports. In the end, this causes market distortions for Indonesian export products so that buyers or consumers will shift their orders to other countries. If this case is not handled immediately, there are concerns that this will hinder exporters from entering the era of free trade.⁹⁵

Based on that, this paper wants to discuss how to regulate dumping from the point of view of international law and Indonesian law in supporting MSMEs? Because without this legal protection, it seems that MSMEs will continue to be at the level called MSMEs—meaning that these businesses will not move from their previous status, namely micro, small and medium enterprises—and it will be difficult to develop their businesses.

⁹² “Indonesia Salah Satu Negara Tersering Dituduh Langgar Perdagangan Internasional”, *Indopremier*, Senin, Juni 08, 2020., https://www.indopremier.com/ipotnews/newsDetail.php?jdl=Indonesia_Salah_Satu_Negara_Tersering_Dituduh_Langgar_Perdagangan_Internasional_%C2%A0&news_id=120278&group_news=IPOTNEWS&news_date=&taging_subtype=PG002&name=&search=y_general&q=

⁹³ *Ibid.*

⁹⁴ *JawaPos*, 20 November 2008.

⁹⁵ Ikarini Dani Widiyanti. 2009. *Dampak Dumping Terhadap Usaha Mikro Kecil Menengah (Umk): Suatu Kajian Dalam Perspektif Hukum Dagang Internasional*, *Jurnal Ilmiah Ilmu Hukum QISTI*, Vol 3, No 4, 92-104, p. 94.

DISCUSSION

Terms of Dumping and MSMEs

Tracing The origin of the word 'dump' or dumping is actually not so certain. According to Richard Dale, this term was used in the early nineteenth century to describe the act of throwing a lump or something massive, such as the weight of a cart.⁹⁶Over time, the term has expanded in meaning, being used to describe a market dump for the disposal of excess stock.⁹⁷

In the early 20th century the word 'dumping' was used to describe a situation where goods were sold cheaply in foreign markets and today the term is used internationally to denote the practice of price discrimination in international trade.⁹⁸According to the Oxford Dictionary of Law, dumping is defined as "...the sale of goods abroad at a price below their normal value."⁹⁹According to Black's Law Dictionary, the definition of dumping is "The act of selling in quantity at very low price or practically regardless of the price; also, selling goods abroad at less than the market price at home".¹⁰⁰From this understanding, we can draw a conclusion that dumping is agreed as a trade practice that crosses national borders, selling at a lower price than the price in the country of origin. Based on this, this practice can lead to injustice, because it can cause market damage and competitors' producers in the importing country to lose.¹⁰¹

This dumping practice has a direct impact on MSME entrepreneurs in Indonesia. As the foundation of the community's economy, MSMEs have proven that during a global crisis, MSMEs can absorb workers, in 2021 around 97% in Indonesia.¹⁰²However, without a concrete role from the government to protect these

⁹⁶ Richard Dale. *Op.cit.*, p. 1.

⁹⁷ Ibid.

⁹⁸ Ibid.

⁹⁹ Elizabeth A. Martin (ed.), 2002. *Oxford Dictionary of Law Fifth Edition*, Oxford University Press, New York., p. 164.

¹⁰⁰ Henry Campbell. 1979. *Black's Law Dictionary*, West Publishing Company, St.Paul, Minn.

¹⁰¹ AF Elly Erawati dan JS Badudu. 1999. *Kamus Hukum Ekonomi Inggris-Indonesia*, Proyek Ellips, Jakarta, p.39.

¹⁰² Siaran Pers Kementerian Koordinator Bidang Perekonomian Republik Indonesia, "UMKM Menjadi Pilar Penting dalam Perekonomian Indonesia", Jakarta, 5 Mei 2021, <https://ekon.go.id/publikasi/detail/2969/umkm-menjadi-pilar-penting-dalam-perekonomian-indonesia>

MSMEs, it can hamper the pace of development of these MSMEs. The main goal is to make products from MSMEs acceptable to the international market, and to be aware of accusations of dumping from importing countries. In addition to these accusations, MSMEs also need to be aware of the existence of domestic dumping goods that can damage the domestic market, one of which is the MSME article. And this of course must also be supported by clear regulations from the government, especially in terms of the complaint mechanism and dispute resolution.

But from a business standpoint, this dumping practice is also a business strategy for companies that are willing to sell products at a loss while trying to enter new markets, or that create lower-cost, lower-value products,¹⁰³ at the same time it can also prosper its consumers, because they do not have to spend more money than usual.

MSME is an abbreviation which means "Micro, Small, and Medium Enterprises" meaning, the abbreviation is a term that refers to micro,¹⁰⁴ small¹⁰⁵ and medium¹⁰⁶ enterprises. MSMEs are regulated

¹⁰³Lucy Davis.2009. *Anti-dumping investigation in the EU: how does it work?*ECIPE WorkingPaPer, no. 04, p. 4. <https://ecipe.org/wp-content/uploads/2014/12/anti-dumping-investigation-in-the-eu-how-does-it-work.pdf>

¹⁰⁴According to Article 1 point 1 of Law 20/2008, Micro Enterprises are "...productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated in this Law." The criteria for micro-enterprises are regulated in Article 6, paragraph (1), Law 20/2008. According to the criteria of the law, micro-enterprises have a maximum net worth of Rp. 50,000,000.00 (fifty million rupiahs) excluding land and buildings for business premises; or the micro-enterprise has annual sales of a maximum of Rp.300,000,000.00 (three hundred million rupiah).

¹⁰⁵Article 1 number 2 defines Small Business as "... a stand-alone productive economic enterprise, which is carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly from Medium Enterprises. or Large Businesses that meet the criteria for Small Businesses as referred to in this Law." The criteria for small businesses according to Law 20/2008 are regulated in Article 6 paragraph (2), namely, that small businesses are measured by their total assets, i.e. small businesses have a net worth of more than Rp. 50,000,000.00 (fifty million rupiahs) up to a maximum of Rp. 500,000,000.00 (five hundred million rupiahs) excluding land and buildings for business premises; or have annual sales of more than Rp.300,000,000.00 (three hundred million rupiah) up to a maximum of Rp.2,500,000,000.00 (two billion five hundred million rupiah).

¹⁰⁶Meanwhile, according to Article 1 number 2, medium-sized enterprises are defined as "...an independent productive economic enterprise, which is carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly. with a Small Business or a Large Business with a total net worth or annual sales proceeds as regulated in this Law." The criteria for a medium-sized business, according to Article 6 of Law 20/2008 is that the business has a net worth of more than Rp. 500,000,000.00 (five hundred million rupiah) up to a maximum of Rp. 10,000,000.00 (ten billion rupiah) excluding land and business

in Law no. 20/2008. In principle, the size of the business is seen in terms of capital, which ranges from 50 million to 300 million rupiah. With this measure, it can be seen that this type of business is a business that aims to continue to develop its capital by expanding its market. This expansion can certainly be done through the domestic and foreign markets. In the foreign context, this business expansion will be pursued through the export route.

MSMEs are an important pillar in the Indonesian economy. As stated by the Coordinating Ministry for Economic Affairs of the Republic of Indonesia:

“MSMEs are the most important pillar in the Indonesian economy. Based on data from the Ministry of Cooperatives and SMEs, the number of MSMEs currently reaches 64.2 million with a contribution to GDP of 61.07% or worth 8,573.89 trillion rupiah. The contribution of MSMEs to the Indonesian economy includes the ability to absorb 97% of the total workforce and can collect up to 60.4% of the total investment. However, the high number of MSMEs in Indonesia is also inseparable from the existing challenges.”¹⁰⁷

Based on this, dumping is a threat to MSMEs in Indonesia, both in terms of exporting countries and in terms of importers. From an exporting point of view, MSMEs can be threatened with dumping accusations, so that it can hinder the pace of market expansion development, from an importing country perspective, MSMEs can also be threatened with dumping practices from other countries. Therefore, MSMEs need to be supported by clear regulations regarding Anti-Dumping in Indonesia.

premises; or have annual sales of more than Rp.2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of Rp.50,000,000,000.00 (fifty billion rupiah).

¹⁰⁷Siaran Pers Kementerian Koordinator Bidang Perekonomian Republik Indonesia, “UMKM Menjadi Pilar Penting dalam Perekonomian Indonesia”, Jakarta, 5 Mei 2021, <https://ekon.go.id/publikasi/detail/2969/umkm-menjadi-pilar-penting-dalam-perekonomian-indonesia>

Anti-Dumping Settings

International law

The WTO resulted from the Uruguay Round of the GATT (1986-1994) and this organization has a unique position, because it stands alone and is independent of the specialized agency of the United Nations (UN).¹⁰⁸ The WTO focuses on the maximum implementation of international trade liberalization,¹⁰⁹ but the WTO also supports the domestic industries of its members, through the provision of tariffs on goods from other countries, as a form of protection.¹¹⁰ The establishment of the WTO is a long-standing goal of the international community since negotiating the GATT for the first time in 1948.¹¹¹ As an agency that manages international trade, the WTO requires a regulation that is preventive in nature, so a guideline is made to facilitate the objectives of the WTO, one of which is anti-dumping.¹¹²

In Article VI of the GATT, which specifically regulates Anti-dumping and Countervailing Duties, it stipulates that this dumping practice must be punished, if imported goods cause or threaten material loss to an established industry in the dumping recipient country or the importing country.¹¹³ In principle, Anti-Dumping measures should be used to punish and prevent dumping practices.¹¹⁴ Technically, Anti-Dumping measures are import duties imposed on foreign imports.¹¹⁵ The purpose of anti-dumping action is to reduce the losses suffered by countries experiencing dumping actions.¹¹⁶

¹⁰⁸Huala Adolf. *Op.cit.*, p. 36.

¹⁰⁹Syahmin A.K.. 2016. *International Trade Law*, PT. Raja GrafindoPersada, Jakarta, 2016, p. 13.

¹¹⁰Explanation of Law no. 7/1994

¹¹¹Huala Adolf. 2013. *Op.cit.*, p. 36.

¹¹²Hanna Tasya Zahrani. 2020. *Efektivitas Performa Komite Anti-Dumping Indonesia Dalam Memberi Perlindungan Hukum Pada Industri Lokal*, Jurnal Kepastian Hukum dan Keadilan, Vol. 2 No. 1, 75-84, p. 77.

¹¹³Article VI paragraph 1, GATT/WTO

¹¹⁴Patricia Wruuck. 2015. *The Political Economy of Anti-dumping Protection A Strategic Analysis*, Springer, p. 2.

¹¹⁵*Ibid.*

¹¹⁶Hanna Tasya Zahrani. *Op.cit.*, p. 77.

In Article VI paragraph 1 it is also detailed that what is called dumping if the price of products exported from one country to another, first, for the price of similar goods, the price is lower than the price that can be compared, in general trade, for consumption. in the exporting country.¹¹⁷Second, if there is no domestic price or comparison price, the normal price is the highest price for the product designated or exported to a third country or the production cost for the product plus additional costs (costs) and reasonable profits.¹¹⁸

To prevent this dumping from happening, this Convention regulates its prevention, namely by establishing Countervailing Duties as an antidote to this dumping practice that can be applied to affected countries or importing countries, namely by providing additional costs to the goods to prevent dumping from occurring.¹¹⁹So Anti-Dumping Duties can only be used to prevent dumping, for example, fees are imposed on countries that sell products cheaper than the prices usually charged domestically.

Violation of this Anti-Dumping, in the WTO, the state is obliged to prove the existence of this practice if the exporting country threatens the economy of the importing country,¹²⁰ as indicated by Article VI of the GATT/WTO. According to the practice in the field, Anti-Dumping cases usually start with a request by the domestic industry affected by the dumping.¹²¹The impact is, as stipulated in Article VI, namely causing or threatening material losses for established industries in the dumping recipient country or the importing country.¹²²

Based on the report, the domestic Anti-Dumping Authority then determines whether there is evidence of dumping by foreign exporters and whether this causes significant harm to domestic producers or threatens domestic entrepreneurs.¹²³The investigative,

¹¹⁷Article VI paragraph 1, number 1

¹¹⁸Article VI paragraph 1, number 2; See Also, Huala Adolf. *Op.cit.*, p. 120.

¹¹⁹Article VI GATT; lihat juga Elizabeth A. Martin (ed.). *Op.cit.*, p. 164.

¹²⁰Timothy A. FaladeObalade. 2014. *Analysis of Dumping as a Major Cause of Import and Export Crises*, Vol. 4, No. 5, Maret, p.236.

¹²¹Patricia Wruuck. *Op.cit.*, p. 10-11.

¹²²Article VI paragraph 1, GATT/WTO

¹²³Patricia Wruuck. *loc.cit.*

data collection, and assessment processes involved are usually carried out by bureaucrats or the government. Therefore, apart from being “contingent protection”, it is also “administered protection”.¹²⁴

Anti-Dumping investigations can be very technical; involves collecting data on prices at home and abroad, possible production costs, estimates of price differences and an assessment of whether and to what extent the practices of foreign exporters cause harm to domestic producers.¹²⁵ International rules, in particular GATT Article 6 and the Anti-Dumping Agreement, do provide a framework and rules for conducting assessments but at the same time provide room for interpretation.¹²⁶

However, the tariffs imposed are usually highly targeted measures, i.e. for certain products from certain countries as suggested by domestic applicants.¹²⁷ The imposition of such tariffs can have strong redistribution effects—both domestically and between countries—and they can also cause friction between trading partners. This makes them problematic for both comparative political economy and research in International Relations.¹²⁸

By ratifying the Agreement Establishing The WTO, Indonesia has also ratified the Antidumping Code (1994) which is one of the Multilateral Trade Agreements.¹²⁹

The Antidumping Code (1994) in article 18A, obliges its member countries to take the necessary steps no later than before the WTO was officially established on January 1, 1995. To make adjustments to the laws, regulations and administrative procedures related to anti-dumping that already exist in each of its member

¹²⁴*Ibid.*

¹²⁵*Ibid.*

¹²⁶*Ibid.*

¹²⁷*Ibid.*, p. 11.

¹²⁸*Ibid.*

¹²⁹YuliantoSyahyu. 2019. *Hukum Antidumping di Indonesia dari Perspektif Ketahanan Industri Dalam Negeri*, Jurnal Keamanan Nasional, Vol. V, No. 1, Mei-Juni, 47-63, p. 55.

countries with the provisions stated in the Antidumping Code (1994).¹³⁰

In general, the application of anti-dumping in the scope of international trade plays an important role in the practice of international trade, anti-dumping has become a legal form formed in the GATT/WTO to regulate fraudulent acts in international trade. Judging from its own form, dumping can cause price instability of trade goods which can lead to the loss of domestic prices where the sale of dumping goods is sold as merchandise products below the actual price.¹³¹

EU Anti-Dumping Rule

The EU most often accuses Indonesia of dumping practices. Therefore, it is also necessary to know how exactly the EU regulations regarding dumping are. So that it can be an anticipatory material for MSME entrepreneurs in Indonesia.

The regulation on anti-dumping in the EU legal framework adopts the rules set out by Article VI of the GATT/WTO which was discussed earlier, but the EU provides more details than the WTO provides. The EU, in this case of dumping, regulates it in detail in Regulation (Eu) 2016/1036 Of The European Parliament And Of The Council of 8 June 2016, concerning "...protection against dumped imports from countries not members of the European Union"¹³² in this regulation, which is stated in Article 1, paragraph 2, what is called dumping is if the price of a product exported to the EU is less than the price of comparable goods, for a like product, in ordinary trade, at a price in the exporting country.¹³³ That is, in the EU dumping regulations prohibit the sale of goods below the normal value of the exporter.¹³⁴

¹³⁰ *Ibid.*

¹³¹ Lusy K.F.R. Gerungan. 2014. *Kajian Yuridis Kebijakan Antidumping Dalam Perdagangan Internasional*, Lex Administratum, Vol. II/No.3/Jul-Okt, 135-144., p. 144.

¹³² European Commission, *Anti-Dumping, Basic Anti-Dumping Regulation*: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02016R1036-20180608>

¹³³ Compare to Henrik Andersen. 2009. *EU Dumping Determinations and WTO Law*, Kluwer Law International B.V.

¹³⁴ Elizabeth A. Martin (ed.), *loc.cit.*

If you look at the elements developed by the EU, this understanding includes the concepts that are considered, comparable prices, similar products, ordinary trade, and exporting countries.¹³⁵ Although, if we look at the consequences of this dumping, namely lowering the market price of a good in Europe, and this means it can improve consumer welfare in the EU, this can cause losses for EU producers for similar products.¹³⁶

According to the Constitution, the exporting country is the country of origin of the goods.¹³⁷ However, it is further explained in the article, technically, this country of origin can also be an intermediary country, as emphasized in Article 1, "...However, it may be an intermediate country, except where, for example, the products are merely transshipped. through that country, or the products concerned are not produced in that country, or there is no comparable price for them in that country."¹³⁸

Article 1 also stipulates that a like product is a product that is identical or has very similar characteristics (characteristics closely) to the product being compared in the country of the recipient of the goods or the country of import.¹³⁹

The conditions set by the EU are similar to those set by the WTO. However, the definition of dumping in the WTO includes the condition that the goods are 'for consumption'.¹⁴⁰ This condition is not inherent in the EU definition of dumping.¹⁴¹ So in general, from these two rules, dumping is described as an act of exporting goods to other destinations at a much lower rate than that imposed in the country of origin. The WTO assumes that dumping should be prevented if it threatens to harm an industry already established in the market or if it can delay the establishment of a viable domestic industry.¹⁴²

¹³⁵John Barcelo. 1972. Antidumping Laws as Barriers to Trade the United States and the International Antidumping Code', *Cornell Lal'.* Review, April.

¹³⁶Lucy Davis. *Op.cit.*, p. 4.

¹³⁷UE Law 2016, Article 1, Paragraph 3.

¹³⁸*Ibid.*

¹³⁹UE Law 2016, Article 1, Paragraph 4.

¹⁴⁰See, Article VI GATT/WTO

¹⁴¹Henrik Andersen. 2009. *EU Dumping Determinations and WTO Law*, Kluwer Law International B.V.

¹⁴²See, Article VI GATT/WTO

Indonesian National Law

Indonesia has ratified the WTO through Law No. 7 of 1994, based on that, Indonesia has an obligation to follow all the agreements that have been reached.¹⁴³ The WTO requires its members to adjust to the bureaucracy (administrative procedures) in their country with the bureaucracy established by the WTO.¹⁴⁴ With regard to legal protection for MSME entrepreneurs, the WTO principles actually free its member countries to protect their entrepreneurs, including MSMEs, but protection may be carried out in terms of tariffs and not actions such as import bans or import quota restrictions, or non-tariff commercial measures¹⁴⁵ and not actions such as import bans or import quota restrictions,¹⁴⁶ or non-tariff commercial measures.¹⁴⁷

By ratifying the Agreement Establishing The WTO, as previously discussed, Indonesia has also ratified the Antidumping Code (1994) which is one of the Multilateral Trade Agreements.¹⁴⁸ The consequence is that Indonesia is obliged to establish provisions regarding anti-dumping. And this provision is inserted in Law No. 10/1995 on Customs (UU 10/1995) as has been revised by Law No. 17 of 2006 (Law 17/2006). Anti-dumping is regulated in Chapter IV, the first part of articles 18 to 20, while articles 21 to 23 regulate the import duty on compensation.

In article 18, it is stated that anti-dumping import duties are imposed if "the export price of the goods is lower than its normal value" and the import of the goods causes losses, condemns the occurrence of losses and hinders the development of the domestic similar goods industry.¹⁴⁹ Then these anti-dumping provisions become the basic provisions for implementing anti-dumping regulations in Indonesia,¹⁵⁰ namely Government Regulation Number 34 of 1996 (PP 34/1996) which has been amended by Government

¹⁴³See, Article XVI paragraph 4, Agreement Establishing the WTO.

¹⁴⁴Huala Adolf. *Op.cit.*, p. 39.

¹⁴⁵*Ibid.*, p. 114.

¹⁴⁶Explanation of Law no. 7/1994

¹⁴⁷Huala Adolf. *loc.cit.*

¹⁴⁸YuliantoSyahyu.*loc.cit.*

¹⁴⁹Article 18, Law 10/1995 as amended by Law 17/2006

¹⁵⁰YuliantoSyahyu.*op.cit.*, p. 55.

Regulation Number 34 of 2011 concerning Antidumping Measures (PP 34/2011), Compensation Measures, and Trade Safeguard Measures. Following up on the implementing regulations, implementing regulations are issued in the form of decisions of the Minister of Trade (formerly the Minister of Industry and Trade).¹⁵¹

With the issuance and enactment of these regulations, there is no doubt about the attitude of the Indonesian government in its commitment to the era of free trade, but several aspects need to be studied, including legal aspects. In this case, the Indonesian people must be ready with all the consequences that arise up to the level of implementation of the laws and regulations issued.¹⁵²

Anti-Dumping Handling Authority

This anti-dumping treatment is given to the Indonesian Anti-dumping Committee (KADI), which is based on article 1 point 29, which is assigned "...to carry out investigations in the context of Antidumping Measures and Countermeasures." KADI's duties are regulated in the Decree of the Minister of Industry and Trade Number 427/MPP/Kep/10/2000, which is also based on Article 2 and Article 7 paragraph (1) of PP 34/1996, which has been amended by Government Regulation Number 34 of 2011 concerning Actions Antidumping, Compensation Measures, and Trade Safeguard Measures.

KADI works under the coordination/auspices of the Ministry of Trade.¹⁵³ KADI has the obligation to handle problems related to efforts to deal with Dumping Goods and Goods Containing Subsidies.¹⁵⁴ KADI's function in dealing with dumping goods and goods containing subsidies is in terms of proof of "...the existence of dumping goods or goods containing subsidies, losses to domestic industries, and a causal relationship between dumping goods or goods containing subsidies and losses to domestic industries." With this proof function, KADI will carry out "collection, research, and

¹⁵¹ *Ibid.*

¹⁵² *Ibid.*

¹⁵³ KADI, Kedudukan, Tugas dan Fungsi: <https://kadi.kemendag.go.id/about>

¹⁵⁴ *Ibid.*

processing of evidence and information related to the investigation of Dumping Goods and Goods Containing Subsidies." Then then carry out "Making recommendations for the imposition of Antidumping Duties and Compulsory Duties to the Minister.", "Implementation of advocacy, consultation, dissemination of information, as well as socialization of provisions and implementation of Antidumping and Subsidies", and "Implementation of other tasks assigned by the Minister."¹⁵⁵ Related to its duties, KADI broadcasts the cases it is handling.¹⁵⁶

Then after the establishment of the Tax Judiciary Institution, this Institution is tasked with examining and deciding appeals against the decision on the determination of anti-dumping import duty by the authorized official.¹⁵⁷ If we look at Article 97 of Law 10/1995 which has been amended by Law 17/2006, prior to the establishment of the Tax Court, the Customs and Excise Advisory Agency was formed as an appeals agency and its decision was not a State Administrative decision. The decision of the tax court is final and permanent. Then through Law Number 14 of 2002, the tax court was born which is a court that resolves tax disputes including customs and excise.

CONCLUDING REMARKS

Dumping is an action that is prohibited by the WTO in international trade, because it can cause and threaten losses for entrepreneurs of importing countries. Based on this, the regulation regarding international Anti-dumping is regulated in the WTO rules, especially in article VI and the Anti-dumping Code (1994). This rule is a basic rule that must be applied by its members in carrying out international trade activities. The WTO as seen from its objectives, is an organization that provides opportunities for countries to expand their markets. That is, the WTO strongly supports every country in developing its country through industry and this anti-dumping prohibition. And this must also be followed by member

¹⁵⁵ *Ibid.*

¹⁵⁶ KADI, Kasus: <https://kadi.kemendag.go.id/kasus>

¹⁵⁷ YuliantoSyahyu. *loc. cit.*

countries, in order to minimize obstacles in international trade from the rules of each country. This arrangement is also followed by regional organizations such as the EU and ASEAN. Regulations in Indonesia have also followed the basic rules of the WTO, as the basis is to ratify the agreement and its additional rules through Law 7/1994. The regulation regarding Anti-Dumping in Indonesia is regulated in Law 10/1995 as amended by Law 17/2006. Then the implementing regulations have been made through PP 34/1996 which has also been amended by PP 34/2011. The institution that handles this dumping practice is KADI which was later strengthened by the tax court as a final decision on this dumping. With these regulations, in fact the settlement of dumping disputes has become stronger in terms of rules and institutions. So this is a form of support from the government for the spirit to grow MSMEs, which are pillars for the Indonesian economy. Because with the strengthening of the legal aspects of this anti-dumping issue, it can advance the Indonesian industrial sector in the future.

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ACCELERATION OF MSMES TOWARDS A DIGITAL CORPORATE POST LAW NUMBER 11 YEAR 2011 CONCERNING WORK CREATION

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ABSTRACT

During this Covid-19 pandemic, many people have lost their jobs, with conditions like this the state is also trying to make people still have jobs and income, one of the efforts is to establish or open MSMEs. MSMEs are always interesting to study and always present because they are needed. These MSMEs can always prove their resilience, especially when our nation is hit by a storm of economic crisis (since July 1997). This MSME appears to be one of the main supporting business sectors that can absorb a lot of workers. It must be admitted that the Covid-19 pandemic has reduced people's purchasing power. Because the public has reduced outdoor interactions to suppress the spread of the pandemic. This change in people's habit patterns is an opportunity for MSMEs to develop their business through digital. The problem in this study is how the government's efforts in Accelerating MSMEs Towards Digital Corporate After Law Number 11 Year 2011 concerning Job Creation. The central government and local governments provide convenience in various aspects, namely capital, registration, licensing, certificates, legal protection and so on. The Acceleration of MSMEs Towards Digital Corporate After Law Number 11 Year 2011 Regarding Job Creation is the ease in terms of establishment, capitalization, registration, licensing and so on as an effort to progress and develop their business. In addition to this

convenience, MSME actors also get protection if problems occur in accordance with applicable regulations.

Keywords: Acceleration, MSME, Digital Corporate, Post-Job Creation Act

I. PRELIMINARY

The purpose of the establishment of the Republic of Indonesia in the preamble to the 1945 Constitution of the Republic of Indonesia (hereinafter abbreviated as the 1945 Constitution) mandates the creation of a prosperous, just, prosperous society that is evenly distributed both materially and spiritually. In line with this goal, "every citizen has the right to work and a decent living for humanity", the contents of Article 27 Paragraph 2 of the 1945 Constitution. Based on this, the state continues to strive or take action to fulfill the rights of citizens to obtain work and a livelihood worthy.

During this Covid-19 pandemic, many people have lost their jobs for various reasons given by the company or from where they work. No one can be blamed, with conditions like this the state is also trying to make people still have jobs and income, perhaps one of the efforts is to establish or open Micro, Small and Medium Enterprises or commonly abbreviated as MSMEs.

MSMEs are always interesting to study and always present because they are needed. These MSMEs can always prove their resilience, especially when our nation is hit by a storm of economic crisis (since July 1997). This MSME appears to be one of the main supporting business sectors that can absorb a lot of workers.¹⁵⁸ The Central and Regional Governments continue to strive to issue regulations and policies as well as encourage the development and development of MSMEs with the aim of improving the national economy which will be able to improve the welfare of the community.

¹⁵⁸ Sudati Nur Sarfiah, HanungEkaAtmajadkk, 1992, *UMKM Sebagai Pilar MembangunEkonomiBangsa*, Jurnal REP (RisetEkonomi Pembangunan), Volume 4 No. 2, p. 139

The community has a very good role in national development, especially in the development of MSMEs, because MSMEs have important and very strategic values, but with the Covid-19 pandemic, people's purchasing power has decreased and resulted in decreased income. both from income and from policies and decisions to be taken related to labor.

It must be admitted that the Covid-19 pandemic has reduced people's purchasing power. Because the public has reduced outdoor interactions to suppress the spread of the pandemic.¹⁵⁹ Based on this pandemic condition, people feel more secure and comfortable when making buying and selling transactions for buying vegetables or other needs, without having to go out and spend a lot of time the community's needs are still being met. This change in people's habit patterns is an opportunity for MSMEs to develop their business through digital.

There are so many advantages that MSME actors get by marketing their products through digital. Consumers or buyers do not only come from the local area or the surrounding area but can also come from outside the area who can use our services so that our products reach consumers. These changes have received special attention from the Government to assist and encourage acceleration or acceleration in the MSME development process, not only assisting in the development process, the Government has also issued regulations regarding ease of establishment or licensing, protection, empowerment and others that are regulated. in Law Number 11 of 2020 concerning Job Creation, Government Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises,

Based on the above background, it makes the author interesting to examine the acceleration of MSMEs towards Digital Corporate after Law Number 11 of 2011 concerning Job Creation. The method that the author uses is the normative method, namely the study of literature.

¹⁵⁹Bambang Arianto, 2020, *Pengembangan UMKM Digital Di Masa Pandemi Covid-19*, *ATRABIS :JurnalAdministrasiBisnis*, Volume 6 No. 2 Desember, p. 234.

II. DISCUSSION

MSME Acceleration Towards Digital Corporate After Law Number 11 Year 2011 Regarding Job Creation

In general, MSMEs are known as small and medium enterprises, businesses or commonly referred to as entrepreneurship. The term entrepreneurship according to Peggy A. Lambing and Charles R. Kuel in their book Entrepreneurship is a creative act that builds value from something that doesn't exist. Entrepreneurship is a process to capture and realize an opportunity regardless of existing resources, and requires courage to take calculated risks.¹⁶⁰ Even a business actor on a small scale in carrying out his activities will always use various resources. Business organization resources include human, financial, physical equipment, information and time. Thus, a business actor has "organized" the resources he has in a limited space and dimension and is trying to "operate" as a business activity in order to achieve profit.¹⁶¹

Based on the information above, it can be concluded that UMKM or commonly referred to as business or entrepreneurship is a process to realize business activities with the aim of obtaining profits or profits by organizing with the resources they have, and must have the courage to take risks that will be faced. The risks that occur can be in terms of finance, marketing, competition and even our human resources.

The definition of UMKM when viewed based on Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises and Government Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises in Article 1:

1. Micro Enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated in this Law.

¹⁶⁰ TejoNurseto, 2004, *Strategi Menumbuhkan Wirausaha Kecil menengah Yang Tangguh, Jurnal Ekonomi dan Pendidikan*, Volume 1 Nomor 1 Februari, p 3.

¹⁶¹ Mulyadi Nitisusastro, 2010, *Kewirausahaan & Manajemen Usaha Kecil*, Alfabeta, Bandung, p. 26-27.

2. Small Business is a productive economic business that stands alone, which is carried out by individuals or business entities that are not subsidiaries or not branches of companies that are owned, controlled, or become part either directly or indirectly of Medium Enterprises or Large Businesses that meet the criteria for Small Businesses. as referred to in this Law.
3. Medium Enterprises are productive economic businesses that stand alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become a direct or indirect part of a small business or large business with total net assets or proceeds. annual sales as regulated in this Law.

Based on the above rules to facilitate MSMEs, the government issued a policy as outlined in Government Regulation Number 7 of 2021 concerning the Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises, namely:

Article 35

- (1) Micro, Small, and Medium Enterprises are grouped based on the criteria for business capital or annual sales results.
- (2) The criteria for working capital as referred to in paragraph (1) are used for the establishment or registration of business activities.
- (3) The criteria for working capital as referred to in paragraph (2) consist of;
 - a. Micro-enterprises have a business capital of up to a maximum of Rp. 1,000,000,000.00 (one billion rupiah) excluding land and buildings for business premises;
 - b. Small businesses have a business capital of more than Rp. 1,000,000,000.00 (one billion rupiah) up to a maximum of Rp. 5,000,000,000.00 (five billion rupiah) excluding land and buildings for business premises;
 - c. Medium-sized businesses have a business capital of more than Rp. 5,000,000,000.00 (five billion rupiah) up to a maximum of Rp. 10,000,000,000.00 (one billion rupiah) excluding land and buildings for business premises.

In order to provide convenience, protection and empowerment of MSMEs, in addition to the criteria for working capital described above, the criteria for annual sales results are regulated in Article 35 paragraph (5), namely:

- a. Micro enterprises have annual sales of up to a maximum of Rp. 2,000,000,000.00 (two billion rupiah);
- b. Small businesses have annual sales of more than Rp. 2,000,000,000.00 (two billion rupiah) up to a maximum of 15,000,000,000.00 (fifteen billion); and
- c. Medium enterprises have annual sales of more than Rp. 15,000,000,000.00 (fifteen billion rupiah) up to a maximum of Rp. 50,000,000,000.00 (fifty billion rupiah)

The criteria mentioned above apply to entrepreneurs who have carried out their business activities before this government regulation comes into force (paragraph 6). Based on the explanation of the articles above, it is the government's effort to encourage the acceleration of MSMEs so that they can continue to grow and develop. Article 35 paragraphs (2) and (3) clearly state that the business capital that has been determined is business capital either from oneself or borrowed capital to carry out business activities.

The division of groups based on capital and annual income can make it easier to give a touch for business development.¹⁶²

MSME business actors, apart from being facilitated in terms of capital and annual income, are also given convenience in terms of licensing at the time of business establishment which may have been difficult and complicated even by business actors. Currently for entrepreneurs:

- a. business entities, both legal entities and non-legal entities, establish or register through the administrative system of legal entities at the ministry that carries out government affairs in the field of law and human rights.
- b. Individual business actors establish or register through an electronically integrated business licensing system at non-

¹⁶² Muhammad Ali Imron, 2009, *Peran Baitul Maal Wattamwil (BMT) Terhadap Pengembangan Usaha Mikro Kecil menengah Didesawates Kecamatan Undaan Kabupaten Kudus*, Sripsi STAIN Kudus, p. 19

ministerial government agencies that carry out government affairs in the field of investment coordination.

MSMEs in their business are required to have a business license as regulated in Article 37-47 of Government Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises. Business licenses for micro, small and medium enterprises are granted based on the level of business activity risk in the form of:

- a. Business identification number, for low risk business activities;
- b. Business identification number and standard certificate, for medium low and medium high risk business activities; and
- c. Business identification number and license, for high risk business activities

In addition to being required to have a business license, business actors are also required to have a product standard certificate and/or business standard in accordance with the provisions of the legislation. MSME licensing is carried out through an electronically integrated business licensing system, which is managed by an institution that manages electronically integrated business licensing. In terms of registering, licensing and having standard product certificates, the central government and local governments will provide guidance and registration to facilitate the process.

Based on the descriptions above, it can be concluded that the Central Government and regional governments have made various efforts to UUMKM business actors to encourage the acceleration of development and business development of MSMEs, because MSMEs are the most important part of the economic sector which has proven to be able to survive despite the decline due to the COVID-19 pandemic. 19 this.

It should be noted that MSMEs in Indonesia have become the most important pillar for the economic ecosystem. Moreover, it is known that 99% of business actors in Indonesia are the MSME sector.¹⁶³ Based on these figures, it can be seen that MSMEs are very

¹⁶³*ibid*

important and must be paid special attention to for sustainability in their development. The impact of the decline that occurred due to the Covid-19 pandemic was able to change the views of business actors who initially through direct or offline sales have now started to switch through digital or online.

Sales or marketing of MSME products through digital at this time is a breakthrough and a very appropriate acceleration effort to give birth to a digital entrepreneurial model with the aim of developing marketing and target/target markets from business actors, apart from not spending energy in marketing, the targets we achieve are very broad, because digital is not hindered by distance and time. The government continues to strive to provide guidance and assistance so that MSMEs can develop even more through the digital process, because access through digital is very easy to find and be known by the wider community, the government is trying to make MSMEs follow the specified process by registering, having an identification number, trying, certificates and so on.

The central government and local governments are required to organize an integrated MSME information and data collection system so that the results of the data collection will be used as a single database for MSMEs. After the enactment of the Job Creation Act and the issuance of Implementing Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises, regulations and processes regarding establishment, capital, registration, licensing and others related to the progress of MSMEs are increasingly facilitated so as to make MSME business actors have hope and enthusiasm in their development.

In terms of conducting guidance and registration, the central government and local governments identify and map MSMEs based on the level of risk in order to register through the licensing system to get a business registration number. The business registration number is an identity for business actors issued or issued by the OSS (Online Single Submission) Institution after the business actors register to this system. This business registration number serves as identity and legality in carrying out business activities.

The process for registering is quite easy, it only takes about 10 to 15 minutes, if the data we enter is appropriate and valid, the results will come out, and cost nothing. If the business actor already has a business registration number that is stamped on his product, it will bring confidence in the results of the product that is produced and will be marketed to consumers.

Concrete evidence that the central government and local governments focus on developing MSMEs in Indonesia is the presence of Law Number 11 of 2020 concerning Job Creation, namely making adjustments to various aspects of regulation related to alignments, strengthening, and protection for cooperatives and MSEs as well as national industry (contents of Article 3 letter c) and providing convenience, protection, and empowerment of cooperatives and MSEs (contents of article 4 letter c)

In addition to convenience in terms of registration, government capital also makes arrangements or provides protection in terms of providing legal assistance and assistance services, business recovery, empowerment, providing places for promotion and business development. Article 48 Government Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises The central government and local governments are required to provide legal assistance and assistance services to micro and small business actors, the legal aid services include:

- a. Legal Counseling
- b. Legal consultation
- c. Mediation
- d. Preparation of legal documents, and
- e. Assistance outside the court

Based on the article above, it can be concluded that MSME business actors currently do not need to be afraid and worried if problems occur, especially regarding the law, business actors can ask for protection according to their needs by fulfilling several requirements such as:

- a. Submit a written application to the central government or local government;
- b. Have a business registration number; and
- c. Submit documents related to the case

III. CLOSING

The Acceleration of MSMEs Towards Digital Corporate After Law Number 11 Year 2011 Regarding Job Creation is the ease in terms of establishment, capitalization, registration, licensing and so on as an effort to progress and develop their business. In addition to this convenience, MSME actors also get protection if problems occur in accordance with applicable regulations.

It is hoped that the government will remain consistent with the regulations that have been issued in order to continue to grow and develop MSME actors, where MSMEs are one of the pillars of the national economy.

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THE URGENCE OF REGIONAL REGULATIONS CONCERNING MODERN STORE ARRANGEMENTS FOR MICRO BUSINESS DEVELOPMENT IN BANDAR LAMPUNG CITY

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Abstract

The existence of modern shops in Bandar Lampung City affects the development of micro-enterprises in Bandar Lampung City. The existence of a modern store on the one hand provides a choice of new and convenient shopping places for the community, but on the other hand the existence of a modern store can threaten the development of micro-enterprises in Bandar Lampung City if it is not regulated by a separate Regional Regulation. The rapid growth of modern stores in the city of Bandar Lampung needs to be organized and controlled in line with the vision and mission of development of the city government of Bandar Lampung, especially in the fields of economy and trade. Therefore, the arrangement of modern stores needs to be fostered and supervised while still paying attention to the alignment of micro-enterprises. For this reason, a direction and basis is needed for legal certainty to all parties involved in the arrangement of modern stores.

Keywords : Local Regulations, Modern Stores, Micro Enterprises,

I. Introduction

One of the goals of the government is to promote the general welfare, which has been formulated in the 1945 Constitution of the Republic of Indonesia, especially in Article 33. The achievement of this goal is a constitutional mandate that underlies the formation of all laws and regulations in the economic sector. The constitution mandates that national economic development must be based on democratic principles that are able to create the realization of Indonesia's economic sovereignty. The linkage of economic development with people's economic actors. Thus, the development of investment for micro, small, medium enterprises, and cooperatives is part of the basic investment policy.

Today the population is increasing, with increasing population growth, the greater the demand for land use for various activities, land users will try to maximize productive land use, and one of the productive activities is trading activities.¹⁶⁴ Modern stores have been around since the 1970s but are still concentrated in big cities. The entry of foreign supermarket ownership into Indonesia in the late 1990s since the foreign direct investment policy in the retail business sector was opened in 1998. Intense competition prompted the emergence of supermarkets in smaller cities in order to find new customers and price wars occurred. that Indonesian supermarkets only served the upper middle class in the 1980s and early 1990s, and the expansion of supermarkets to small towns and the existence of a price-cutting strategy that allowed lower-middle class consumers to access supermarkets. Of course, this problem is also experienced in other developing countries.¹⁶⁵

Modern shops in their current development have reached suburban areas which have dense population even to rural areas, the number of modern shops is increasing from year to year causing intense competition, so the existence of small traders is getting squeezed. The increase in modern shop business in residential areas

¹⁶⁴ AA Anwar Prabu Mangkunegara., 2002. *Perilaku Konsumen*. PT. Refika Aditama, Bandung, p.8

¹⁶⁵ Sinaga Pariaman. 2004. *Pasar Modern VS Pasar Tradisional*. Kementerian Koperasi dan UKM, Jakarta. p. 24

certainly has a good or bad impact on the people living around residential areas. The existence of modern stores can affect sales to the surrounding community because most people today prioritize convenience in shopping so they start leaving small shops whose merchandise is incomplete plus the services and comfort provided are not as good as modern stores.¹⁶⁶

Regulation of the Minister of Trade Number 23 of 2021 concerning Guidelines for the Development, Arrangement and Guidance of Shopping Centers and Modern Stores states that modern stores are stores with a self-service system, selling various types of goods in retail in the form of modern stores, supermarkets, department stores, hypermarkets or wholesalers. which is in the form of a percussion. Modern markets include malls, supermarkets, department stores, shopping centers, franchises, modern mini stores, department stores, convenience stores and so on. The goods sold here have a wide variety of types. In addition to providing local goods, modern markets also provide imported goods. The goods sold have relatively more guaranteed quality because through strict prior selection they provide imported goods.¹⁶⁷

The goods sold have relatively more guaranteed quality because they go through a strict prior selection so that goods that do not meet the classification requirements will be rejected. In terms of quantity, modern markets generally have a measurable inventory of goods in warehouses and in terms of price, modern markets have a definite price tag. Bandar Lampung City is a city that is often a tourist destination for people around Bandar Lampung City, with the increasing number of local tourists to Bandar Lampung City, this has an impact on the increasing number of modern shops scattered in almost every corner of the city of Bandar Lampung. to hinder the growth of micro-enterprises.

¹⁶⁶H. Malano, 2011, *Selamatkan Pasar Tradisional: Potret Ekonomi Rakyat Kecil*, Gramedia Pustaka Utama, Jakarta. p. 31

¹⁶⁷A.B Susanto. 2001. *Manajemen Pemasaran di Indonesia*. Buku II, Salemba Empat, Jakarta. p.22

Micro-enterprises have a very large role in the national economy and need to be improved in their empowerment. The objectives of empowering micro-enterprises as stated in Article 5 of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises are a) Realizing a balanced, developing, and just national economic structure. b) Grow and develop the ability of Micro, Small and Medium Enterprises to become strong and independent businesses. c) Increasing the role of Micro, Small and Medium Enterprises in regional development, job creation, income distribution, economic growth, and alleviating people from poverty.¹⁶⁸

Micro-enterprises have a very vital role in economic development and growth, not only in developing countries such as Indonesia but also in developed countries. In Indonesia, the role of micro-enterprises in addition to playing a role in development and economic growth, micro-enterprises also have a very important role in overcoming the problem of unemployment. The growth of micro-enterprises has made it a source of growth in employment and income opportunities. By absorbing a lot of labor, it means that micro-enterprises also have a strategic role in the government's efforts to fight poverty and unemployment.

The characteristics of micro-enterprises in Indonesia and in other developing countries are usually the same industrial groups, located close to each other in an area. Geographical groupings according to these groups, in the industry or microenterprise literature, are called clusters. In Indonesia, many micro-business activities, especially micro-enterprises, which are spread across regions have been going on for generations, and generally each region has its own specialization of micro-enterprises. Micro Enterprises have grown and developed rapidly over time. This fairly rapid development has an impact on increasing competition. Increased competition tends to cause the level of profits obtained by micro-enterprises to lead to balance. Even under certain conditions,¹⁶⁹

¹⁶⁸Tjiptono Fandy. 2008. *Strategi Pemasaran*. Andi Offset, Yogyakarta p.16

¹⁶⁹Bilson Simamora, 2004, *Riset Pemasaran*, PT Gramedia Pustaka Utama, Jakarta. p.22

With regard to the changes that occur, it is fundamentally important for the company to re-evaluate its strategy and performance according to the existing conditions, so as to be able to build its competitive advantage which is a key factor for business success to be able to keep up with the progress and changes in competition that occur today. Microenterprises are often seen as a problem. There are various reasons why such a view emerges. The perspective review of the ability of micro-enterprises is considered to be ineffective. So the government feels the need to pay special attention.¹⁷⁰

The goods sold by modern stores have various types. In addition to providing local goods, Modern Market also provides imported goods. The goods sold have relatively more guaranteed quality because they go through a strict prior selection so that goods that do not meet the classification requirements will be rejected.¹⁷¹ The advantages of the modern market are facilities, one of which is Air Conditioner and a clean location that makes consumers comfortable and at home shopping at modern stores, while the weakness of modern stores when viewed from a price point of view is that they cannot bargain and tend to be more expensive when compared to business actors. micro.

II. Discussion

The economy is one of the central subsystems, so it always needs attention and improvement in maintaining the continuity of life processes in various aspects in the midst of society. Thus, in an effort to improve the micro-enterprise empowerment system, it turns out that there needs to be improvements in regulatory aspects as well as increasing social control from the community. Such conditions demand the role of the government, both central and local governments. Modern shops in their development from year to year are increasing causing intense competition, so the existence of micro business traders is getting squeezed. The

¹⁷⁰*Ibid.*,

¹⁷¹Ma'ruf Hendri. 2006, *Pemasaran Ritel*, PT. Gramedia Pustaka Utama, Jakarta. p.11

increase in modern shop business in residential areas certainly has a good or bad impact on the people living around residential areas.

Bandar Lampung City is a city that has experienced an increase in development, this also has an impact on the increasing number of modern shops operating in Bandar Lampung City. Modern stores in Bandar Lampung City are still dominated by Alfamart and Indomaret. With the increasing presence of modern stores in the city of Bandar Lampung, it has a positive and negative impact. The positive impact caused by the existence of a modern store is by opening up job opportunities for the unemployed, in addition, the existence of a modern store will also provide various choices for the public as consumers to choose products and where to shop.

Another positive impact is the inclusion of various kinds of modern shops in Bandar Lampung City, this can trigger micro business traders to further improve the quality of their services and products in order to be able to retain their customers so that they can compete with modern stores. However, in addition to the positive impact given, the existence of a modern store in Bandar Lampung City also has a negative impact that cannot be ignored. One of the negative impacts that can be caused by the existence of a modern store is that it can threaten the development of micro-enterprises in Bandar Lampung City. As it is known that modern shops scattered in Bandar Lampung City have better service quality and place quality compared to micro business traders in general.

The majority of micro business traders in Bandar Lampung City, which are located around modern stores, admit that the existence of modern stores in Bandar Lampung City has caused a decrease in the number of consumers. Some respondents stated that the presence of modern stores around their location caused the number of consumers to decrease but the number was not significant, but others stated that the impact of the existence of modern stores located around their place of business caused a significant decrease in the number of customers.

The most micro business traders sell products that are almost the same as those sold by the modern shop. Therefore, with a more comfortable and clean place and service, some people as consumers choose to shop at modern stores compared to micro merchants. The general advantage possessed by micro business traders lies in the familiarity of the interaction between owners and consumers and the prices are more affordable compared to product prices in modern stores. This is what causes micro business traders in Bandar Lampung City to still be able to survive in the midst of the increasing presence of modern shops.

Micro business traders in Bandar Lampung City admit that modern shops operating near their business locations have better facilities than shop facilities. Modern stores generally have a clean place, equipped with a variety of modern equipment, air conditioning so that people are more comfortable shopping at modern stores. Most of the micro business traders continue to support the existence of modern shops as a demand for the development of an increasingly modern era as well as an effort to overcome unemployment and open new jobs for the community.

However, a few others stated that the existence of a modern store could threaten the development of micro-enterprises in Bandar Lampung City. And considers that micro business traders are not able to compete with modern shops equipped with modern equipment and better service. The impact of the existence of modern shops on working capital and income of traditional stalls in Bandar Lampung City. The impact of the widespread existence of modern shops has reduced the working capital of micro-enterprises. The impact of the widespread existence of modern shops has reduced the income of micro business traders.

Traders think about how consumers can meet their needs with convenient facilities and infrastructure and practical payments so that they create modern markets such as supermarkets, hypermarkets, and modern shops where the place is clean and comfortable, safe because of the security guard and guards, the price tag, and the payment is practical because it can use cash and a debit or credit card. At first the modern market was intended for

the upper middle income community, over time the prices of goods in the modern market were affordable for the lower middle income community. Currently, domestic retail companies such as Alfamart and Indomaret are also competing in the Indonesian retail industry. People who have been loyal to traditional markets, began to switch to markets that provide more convenience because they have outlets everywhere, even to urban villages, have affordable prices, and the convenience offered by retail labeled modern stores, supermarkets or hypermarkets. The number of retail companies in Indonesia without any supervision from the government causes economic chaos because it can kill businesses that have existed for a long time in Indonesia.

Factors that are also the cause of the lack of business development are the lack of carrying capacity of the characteristics of micro business traders, namely poor planning strategies, limited access to capital due to insufficient guarantees, lack of economies of scale, no cooperation with large suppliers, poor management procurement, and the inability to match consumer desires. Micro-enterprises also have a positive side, namely that usually the goods offered are cheaper because they are not taxed as in modern shops, for producers of micro-enterprises are targets for selling because they do not require special conditions to sell in traditional markets.

It is undeniable that with the operation of a modern store, people will automatically enjoy good service, because a modern store as a modern trade store of course prioritizes consumer convenience and provides very competitive prices and complete inventory, because they are supported by a management system. modern. Moreover, the community is famous for its consumptive culture. So that consumers will automatically choose modern stores over micro merchants when they shop. The modern market also has a negative side, namely the price is more expensive than the price at micro business traders because it is added to taxes and with the convenience provided makes people live consumptive lives.

At this time the phenomenon of retail-retail franchise system can be called modern stores are very mushrooming in Indonesia such as Alfamart and Indomaret. Modern stores are a type of retail

business that is growing rapidly at this time that offers convenience because of its location or location that can be reached and close to consumers and prioritizes practicality and speed that is supported by the size of the store or outlets that are not too large so that consumers shop in less time. long. These modern stores provide food and soft drinks as well as daily necessities, and they have even held a milestone in the power of the retail industry in Indonesia because they already have outlets or shops throughout Indonesia to even remote villages.

The emergence of retail companies in Indonesia even to the villages is detrimental to society, especially entrepreneurs engaged in small and medium businesses. Many micro-enterprises are engaged in wholesale and retail trade. This activity is in great demand because it is easy to do, does not require large capital, does not require a special place and does not require business administration. Small and Medium Enterprises currently have a very large role in economic development in Indonesia. Micro-enterprises have a fairly large role in national economic development, this can be seen from their contribution to Indonesia's Gross Domestic Product which continues to increase every year. Changes in sales turnover and product diversification have a positive effect on changes in traditional stall business profits,

Furthermore, based on the provisions as referred to in Article 14 paragraph (1) of Law Number 7 of 2014 concerning Trade and Law Number 23 of 2014 concerning Regional Government, Regency/ Municipal Governments have the authority to make arrangements regarding the management of micro enterprises to create business certainty. and a balanced cooperative relationship between suppliers and retailers while still paying attention to the side of micro-enterprises.

The presence of modern stores such as Alfamart and Indomaret is needed by the community. The entrepreneur also has the right to do business (investment). But on the other hand, if its presence is close to micro-enterprises, it will threaten business continuity in the traditional sector. Especially if the traditional market sector does not get special attention, considering that they

are micro and small businesses which based on Law Number 20 Year 2008 need to be given special treatment in the form of coaching and empowerment.

By looking at the conditions as above, it is necessary to have a local government policy to make efforts to organize and develop modern stores. To be able to regulate, provide a comprehensive legal umbrella in the operation of Modern stores, local regulations are needed. On this basis, the Regional Regulation on the Arrangement and Development of Modern Shopping Centers and Stores is an urgent need to be formed. Thus, sociologically, this Regional Regulation concerning the Arrangement and Development of Modern Shopping Centers and Stores has a fairly strong foundation, so it is hoped that through good processes and stages this Regional Regulation can later be implemented effectively.

The urgency of the regulation regarding Modern Store Arrangement aims to: first, provide protection to micro-enterprises. Second, empowering micro-enterprises in general, so that they are able to develop, compete, be tough, advanced, independent, and can improve their welfare. Third, regulate and organize the existence and establishment of Shopping Centers and Modern Stores in a certain area so as not to harm and kill existing micro-enterprises and have historical value and can become tourism assets. Fourth, encourage the implementation of partnerships between micro business actors and modern shop business actors based on the principles of equality and fairness in running a business in the trade sector. Fifth, realizing a synergy that requires and strengthens between modern shops and micro businesses so that they can grow and develop faster.

Efforts to create a more conducive investment climate is a formidable challenge for the City Government of Bandar Lampung, because it involves several regulations at both the central and regional levels. Climate improvement, investments need to be made by local governments to address improvements in the field of legislation in the region, service improvements, and simplification of the bureaucracy. For trade, it is necessary to organize Modern

stores and micro-enterprises so that there is a balance and synergy as well as mutual benefit among business actors.

Based on the provisions as referred to in Article 14 paragraph (1) of Law Number 7 of 2014 concerning Trade and Law Number 23 of 2014 concerning Regional Government, the Regional Government has the authority to make arrangements regarding the development, arrangement and development that is equal and fair to the Market People, Shopping Centers, Modern Stores, and wholesalers to create business certainty and a balanced cooperative relationship between suppliers and retailers while still paying attention to the side of micro-enterprises.

The implication of the implementation of the new system that will be regulated in Regional Regulations related to the Arrangement and Development of Modern Shopping Centers and Stores is that local government policies must guarantee that the development, arrangement and development of People's Markets, Shopping Centers, Modern Stores, and wholesalers can and are able to create certainty. trying and a balanced cooperative relationship between suppliers and retailers while still paying attention to the side of micro-enterprises in Bandar Lampung City.

Local governments must also be able to realize and control the rapid growth of shopping centers and supermarkets in line with the vision and mission of development of the Bandar Lampung City Government, especially in the economic and trade fields, so that the implementation of shopping centers, modern shops and people's markets can run in balance and synergy and mutually profitable among entrepreneurs. On the financial side of the region, the efforts to arrange and develop modern shopping centers and stores in the regions will of course have consequences on the budget in the form of significant allocations to finance programs and activities as a form of structuring and fostering modern shopping centers and stores. Furthermore, from the aspect of the regional financial burden,

Regional Regulations concerning Modern Store Arrangements have strategic and important positions, namely: 1) to provide guidance to businesses as a form of partiality to local governments and at the same time provide adequate space for the growth of modern stores in the region proportionally; 2) encourage the achievement of healthy competition and a conducive climate for the development of micro-enterprises and modern shops. In addition, it also creates a harmonious partnership relationship between micro-enterprises and modern markets in developing the regional economy.

To realize this goal, it is necessary to have good coordination between agencies within the Bandar Lampung City Government, as well as between the City Government and the private sector, so that a balance is achieved between the physical development of the region and economic development that is beneficial to the local community whose regulatory authority lies with the Regional Government. Thus, the supervision and control of modern shops will be carried out carefully, both in terms of facilities, employment opportunities, economic and trade sector development as well as a balance between the government, the private sector and the community in general. This Regional Regulation is the basis for the arrangement of modern stores in Bandar Lampung City.

III. Conclusion

Based on the research conducted, it can be concluded that the existence of modern stores in Bandar Lampung City affects micro-enterprises in Bandar Lampung City. The existence of a modern store on the one hand provides a choice of new and convenient shopping places for the community, but on the other hand the existence of a modern store can threaten micro-enterprises in the city of Bandar Lampung if it is not properly regulated by the local government. Therefore, it is necessary to regulate in the form of regional regulations regarding the arrangement of modern stores in Bandar Lampung City so that there is a synergy with micro-enterprises

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Criminal Sanctions for Violating MSME Brand Rights according to Law Number 20 Year 2016

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Abstract

In 2015, Indonesia entered the gates of the Asean Economic Community where one way to run the MEA is to provide good space for MSME actors to run their business. Until now, MSMEs have become one of the spearheads of integration that play an active role in the economy in Indonesia. MSMEs make a very large contribution to domestic products, of which 59.3% of products in Indonesia are the work of MSME actors with various types of businesses and brands. The protection of brand rights provided by the government makes MSME actors have binding legal force. The sense of security gained by MSME actors will create a climate to encourage other people who have business ideas to work and be useful. Although the legal basis for trademark rights has been regulated by the government, infringement of trademark rights still exists. Brand infringement is one type of criminal act committed against a business product in order to obtain a profit.

The problems in this study include how the criminal law sanctions for violating the trademark rights of MSME actors in Indonesia according to Law Number 20 of 2016 and what are the constraining factors that affect MSME actors in registering their business marks. The research method used in this study is normative juridical with the method of thinking used is the deductive method, namely drawing conclusions on something that is general to specific.

The results of the discussion in this study are criminal sanctions that can be applied to perpetrators of infringement of rights to MSME brands according to Law Number 20 of 2016 listed in Articles 101 and 102, which are complaints offenses with witnesses of imprisonment and/or fines. The factors that become obstacles in influencing MSME actors to register their business trademarks include expensive registration fees, complicated procedures, not in accordance with community culture, traditional MSME actors thinking, and the difficulty of the certification process.

Keywords : Criminal Sanctions, Violation of Brand Rights, MSME Actors

I. INTRODUCTION

A. BACKGROUND

Indonesia is one of the countries that are members of the Association of South Asian Nations (ASEAN) where in 2015, made a breakthrough by forming the ASEAN Economic Community (AEC) which aims to realize integration in economic terms to improve higher development dynamics by alleviating poverty and achieving equitable and sustainable prosperity and prosperity.

AEC has the main characteristics including the first single market with a production base, secondly making ASEAN as an economic area that has high competitiveness, thirdly the equalization of the economy throughout ASEAN, and the fourth ASEAN as one of the regions that have high integration in the global economy.¹⁷²

One way to run an AEC in Indonesia is to provide a good space for MSMEs to run their businesses. Until now, MSMEs have been one of the spears of integration that play an active role in the economy in Indonesia, to labor problems by reducing unemployment around the region.

¹⁷² <https://meaindonesia.ekon.go.id/mea/> accessed on the day Friday, DateAugust, 27th2021. At7.00pm.

MSMEs contribute enormously to domestic products, of which 59.3% of products in Indonesia are the work of MSMEs with various types of businesses and brands. Entering the ERA of APR, MSMEs are very necessary to register their trademark rights in order to be able to compete and protect their own business products.¹⁷³ Brand registration in Intellectual Property Rights for MSME actors also aims so that MSME products are able to be high competitive and strong in marketing interests in the AME industry.¹⁷⁴

Under Law No. 20 of 2016 on Brands, the definition of the brand itself is regulated in Article 1 number 1, which is a sign with a graphical display in which it can consist of the existence of images, logos, names, words, letters, numbers, color arrangements, consisting of two and/or three dimensions, sounds, holograms, or also a combination of two or more elements that are useful as a differentiator of the goods and/or services of a product produced by a person and/or legal entity in the business world and industry, especially in the field of goods and/or services.

Referring to the discussion of this research, which will be discussed are MSME actors in the field of goods industry, it can be reinforced that the scope of the brand here is a trademark. According to Article 1 number 2 of the Trademark Rights Act, a trademark is a brand used in trading goods by a person and/or several persons together or legal entities to make a difference between one item and another, both similar and non-similar.

Intellectual Property Rights provides the protection of Brand Rights with the aim of being one form of protection that the state provides for the ideas and works of its citizens.¹⁷⁵ So in its nature, brand rights are territorial state. The protection of brand rights in MSME products is an expectation of the Indonesian state in the face of free market competition, where products entering the

¹⁷³ https://www.academia.edu/25322170/Perlindungan_Produk_UMKM_Dalam_HKI_Untuk_Memperkuat_Daya_Saing accessed on the day Friday, Date August, 27th 2021. At 7.30pm.

¹⁷⁴ Teng Berlianty. 2017. *Pendaftaran Merek Produk Usaha Mikro Kecil dan Menengah untuk Memperkuat Daya Saing Menghadapi Masyarakat Ekonomi Asia*. Jurnal Sasi Vol.23, No.1. Fakultas Hukum Universitas Pattimura Ambon. P.20

¹⁷⁵ Gunawan Widjaja. 2001. *Rahasia Dagang*. Jakarta. Raja Grafindo Persada. p.20.

international industry can be protected from all kinds of foreign impersonation and theft.

The protection of brand rights provided by the government makes MSMEs have binding legal power, including products produced by MSMEs should not be imitated and stolen by any party. In addition, the protection of brand rights aims to provide a sense of security for brand owners in selling their work.

The sense of security obtained by MSMEs will create a climate to encourage others who have business ideas in work and useful. The protection of the right to this brand is exclusive, where the government or state gives the right to the business actor to register his brand within a certain period of time to use his own brand or also give permission to others to use his trademark. This means that there is a special right of the owner of the brand that has a monopoly nature, which means that only the rights holder of the brand can use the brand.¹⁷⁶

Although the legal basis on brand rights has been regulated by the government, infringement of brand rights also to date still exists. The use of the brand without the right to the brand on a product with a view to taking advantage of the brand is quite a lot in Indonesia. For example, what is common is brand piracy to reputation utilization.

Brand violation is one type of criminal act committed against a business product for profit. Brand violations are usually committed in the presence of violations of business ethics, norms, decency to enter the legal realm. This action not only harms the rights holders to the brand, but also consumers, namely the community.

Based on the background above, the author is interested in reviewing more about the protection of brand rights in MSME actors in Indonesia, with discussions regarding Criminal Sanctions of Perpetrators of Rights violations of MSME Brands according to Law No. 20 of 2016.

¹⁷⁶ Agung Sujatmiko. 2008. *AspekYuridisLisensiMerek dan Persaingan Usaha*. Jurnal Hukum Pro Justisia, Vol.26. No.2. Universitas KatolikParahyangan.

B. ISSUE

The problems in this study include:

1. How is the criminal law sanctioning the brand rights of MSMEs in Indonesia according to Law No. 20 of 2016?
2. What are the obstacle factors that affect MSME Actors in registering their business brand?

C. METODE RESEARCH

The research method used in this research is normative juridical, i.e. in answering existing problems, will be based on literature studies.¹⁷⁷ The research also focuses on reviewing positive legal rules and norms that include legal principles, legal systematics, legal history, legal comparison and synchronization both vertically and horizontally.¹⁷⁸

The method of thinking used is a deductive method, which draws conclusions on something that is general to the special.¹⁷⁹ The statutory approach or statute approach is a short that is done by researching something based on the laws and regulations.¹⁸⁰

II. DISCUSSION

A. Criminal Law Sanctions Violation of Brand Rights of MSMEs in Indonesia According to Law No. 20 of 2016

An MSME actor, should have a high awareness in protecting his products, especially in the brand he created. Protection of this brand is considered very important, so that it cannot be stolen or imitated. Brand is one of the competitiveness tools that play a high role in the sustainability of a product in the business world and the industrial world. Brands are used as one of the tools that can distinguish between one product and another both in the field of marketing and promotion. MSME actors who register their brands,

¹⁷⁷ Ronny Hanitjo Soemiro. 1990. *Metode Penelitian Hukum dan Jurimetri*. Cet.IV. Jakarta. Ghalia Indonesia. p.11

¹⁷⁸ Soerjono Soekanto dan Sri Mamudji. 2001. *Penelitian Hukum Normatif (Suatu Tinjauan Singkat)*. Jakarta. Rajawali Press. p.13-14.

¹⁷⁹ Sedarmayanti dan Syarifuddin Hidayat. 2002. *Metodologi Penelitian*. Bandung. Mandar Maju. P.23.

¹⁸⁰ Johny Ibrahim. 2007. *Metode dan Penelitian Normatif*. Bayumedi Publishing. Jakarta. p. 300.

can prevent the occurrence of counterfeiting products that harm themselves and also consumers.

MSMEs grow forward and develop certainly based on the creativity of business actors, so usually business people will feel aggrieved if their work is imitated by others. As one of the efforts in protecting his business products, MSME actors have the right and authority in protecting their MSME products.

MSME actors have exclusive rights to their business brand, namely the right granted by the state to the registered brand owner within a certain period of time to use the brand alone or others on the condition of official permission from the brand owner. This right is granted, as one type of intellectual property rights protection, especially about the brand.

There are several types of brand rights violations that occur in Indonesia, including the following:

1. Brand Impersonation

In business competition, the brand is one of the most significant things. Brands also affect competitiveness both nationally and internationally. MSMEs in Indonesia are also quite competitive, especially since the AEC was implemented. Not a few MSME products in Indonesia that eventually became widely known even worldwide.

The fame of a brand, sometimes even makes other similar business actors have bad faith in business competition, such as imitating brands that are already known to be used in products produced essentially the same as brands that are already famous with the aim to give the impression to the public that the goods he sells are the same as the original brand goods. The main reason for imitating this brand is that in the absence of massive promotions, these copycat manufacturers will make a large profit without spending high capital.

2. Brand Counterfeiting

In contrast to brand impersonation, the practice of counterfeiting this brand is by means of business actors producing goods using brands that have been known by the wider community, while the business actor does not have

licensing rights and permits in the use of products on the brand. In the competition of his business, this businessman sells his production goods at a cheaper price than the original price, so that quite a lot of people are interested in the product.

The act of counterfeiting this brand, will basically harm the original owner or the rights holder of the brand, because the public will choose the fake item at a cheaper price compared to the original item at a fantastic price.

Brand violations that occur in Indonesia, in general, do occur in large brands, but do not rule out the possibility of MSME products also become victims of brand violations. If the MSME product is able to compete to the international world, the MSME brand can get a famous predicate, so that legal protection is needed to avoid violations of the right to the brand, both from impersonation and brand counterfeiting. Legal protection that can be done is preventive and repressive which is focused on prevention efforts so that the brand cannot be used by people.

There are several efforts that can be done in the prevention of violations of the right to the brand, including:

1. the certainty of regulation about the brand, namely the laws and regulations on brand rights which in Indonesia is regulated in Law No. 20 of 2016 on Brands and Geographical Indications;
2. Register the right to the brand as one of the means of legal protection. The nature of registration of rights to this brand is mandatory in accordance with the first to file principle system contained in the brand law.
3. The Brand Office is authorized to refuse brand registration in accordance with the laws and regulations regarding brands and geographical indications. For example, if there is a brand registration done by someone else by imitating the brand that has been registered then, the Brand Office reserves the right to refuse.
4. Protection of legitimate brand rights, can also be done by canceling registered marks that should be suspected of having violated the brand rights of others. This error usually occurs at

the brand office, so to resolve this problem the owner of the brand who has registered his brand first can file a lawsuit for the cancellation of the rights to the brand in the Commercial Court.

Referring to the types of brand violations above, Law No. 20 of 2016 on Brands and Geographical Indications also establishes Chapter XVIII on Criminal Provisions, which regulates criminal sanctions for brand violations stipulated in Article 101 and Article 102, including:

1. The sanction given is a maximum prison sentence of five years and/or a maximum fine of Rp.2,000,000,000,- (Two Billion Rupiah) if a person uses the same brand rights in its entirety with a brand that has been registered by another person's state, without the permission of the registered brand owner, with the aim of selling the product.
2. Witness imprisonment maximum of four years and / or a maximum fine of Rp.2,000,000,000,- (Two Billion Rupiah) if it is known that the person without official permission and the right to use a brand that bears similarities to the brand registered in another person's country with similar goods and / or services to be produced and traded.
3. Criminal sanction of imprisonment of a maximum of one year or a maximum fine of Rp. 200,000,000,- (Two Hundred Million Rupiah) if the person who sells goods and /or services and/or products that are the result of criminal acts as stated in points 1 and 2 above.
4. The three types of criminal acts above, are types of complaints.

This business competition is also called unhealthy competition/honesty, because it results in the sales turnover of business actors who own the rights to the brand. Even among the community, it will reduce the level of confidence in the high quality of goods to be low. In addition, consumers will be harmed by counterfeit products, because the goods are not as expected.

Before the existence of brand law, the occurrence of impersonation and counterfeiting of this brand can be done by using the brand and logo that is exactly the same as the original brand. Currently, after the enactment of the brand law in 2001, the legality of brand rights is further deepened and socialization to the community has gone further. So that the mode of violation of rights to this brand has begun to be known by the wider community.

The more technology develops, the more laws and regulations, sometimes crime will be more rampant, as well as the right to brand. Currently began to be known the mode of infringement of rights to brands that are more sophisticated or commonly referred to as reputational bullying or passing off. Passing off in Indonesia itself is not too well known to the broader community, in the common law legal system itself, passing off is an act of fraudulent business competition, namely by harming the holder of the rights to the listed brand by piggybacking or implementing the brand for profit.¹⁸¹

This act of passing off is usually based on fraudulent intentions that use shortcuts so that the business product does not do promotion again to build its reputation and known to the public with the same product. In simpler terms, passing off is also said to be a consumer fraud because it will give confusion to consumers about the origin of the product.

In Indonesia, fraudulent acts and fraudulent acts in the right to this brand are not only regulated in the brand rights law and geographical indications only, more on the basis of the law again, these acts are also regulated in Article 382 bis Chapter XXV of the Criminal Code on fraudulent acts. This article provides a statement that whoever obtains, carries out or expands the results of the trade or his own company or others, commits fraudulent acts to mislead the public um or a certain person, will be threatened with a maximum prison sentence of one year and four months and / or a maximum fine of Rp.13,500.00 (thirteen five hundred thousand

¹⁸¹ Nur Hidayati. 3 Desember 2011. *Perlindungan Hukum Bagi Merek yang Terdaftar*. RagamJurnalPengembanganHumanivra, Vol.11 No.3.

rupiah) if his actions cause losses for the constitution due to fraudulent business competition.

In addition to Article 382 above, it is also regulated in Article 393 Paragraph (1) of the Criminal Code which regulates the act of entering goods into Indonesia without a clear purpose whether to be traded again, offered, or distributed to others limited to goods that should be suspected of using false names. This act is threatened with a maximum prison term of four months and two weeks or a maximum fine of six hundred rupiah.

Furthermore, Article 393 Paragraph (2) of the Criminal Code also states that if at the time of the crime is committed not up to five years since the existence of a permanent prosecution, due to similar crimes, then the sanction given is a maximum prison sentence of nine months. In the event of criminal acts this is not only a brand, name or firm installed similar to that that has been registered. Although there is a very small difference. Punishment can still be imposed.¹⁸²

To prevent fraudulent acts on the brand rights of an item, the Government and MSMEs must play a role in protecting the brand of MSME products in the face of international business competition, the roles are:

1. Role of the Government of Indonesia

The government has issued policies as a basic basis for MSMEs, one of which is the passing of Law No. 20 of 2008 on MSMEs. This law is a continuous basic foothold in developing MSMEs. Local governments can provide allocation of funds for MSME activities to conduct MSME development both in terms of business environment, product innovation, to the development of products produced. One of the important things fostered by the government is about the protection of MSME products by approaching the community with socialization of the importance of creating the quality of MSME brand products by meeting business competition standards.

¹⁸² R. Soesilo. 1991. *KUHP sertaKomentar-KomentarnyaLengkapPasal Demi Pasal*. Bogor. Politeia. p.271.

The role of this government is very important so that MSMEs can compete with large companies both nationally and internationally that already have strong capital with a wide network and large production volumes. The government can provide high incentives and support for product innovation and can promote msme production. In addition, the government must be able to protect branded products.

2. Role of MSMEs

MSMEs must be able to grow and develop in business competition, one way is to be creative and innovate as high as possible. MSME actors are obliged to protect the results of their MSME products. For this reason, MSMEs also need to provide human resource training working in their place of business, providing knowledge about their rights and authority about the brands they have on intellectual property rights. MSME actors need to have a high awareness of the brand rights they have by registering the rights to the brand owned by the authorized legal entity, so that their MSME products can be quality. With the registration of the right to the brand, MSMEs can more easily promote their products to the wider community, in addition to preventing fraudulent acts in business competition.

B. Constraint Factors That Affect MSME Actors in Registering Their Business Brand

Brands that have been registered with the Brand Office, get guarantees in terms of investment, namely in the form of product promotion to be more free and will not be in vain, because, MSME actors can cooperate with other parties with higher investments. Without brand registration, MSME actors will be harmed if they cooperate with foreign parties, products that have been marketed using their brands can be utilized by making similarities and marketing products with almost the same brand.

Benny Mulyawan, an Intellectual Property Rights consultant argues that quite a number of MSMEs do not understand the importance of brand rights, even though when Indonesia enters the APR era, the registration of brand rights is very important. In

addition to the ownership rights to the brand, this brand registration can also be used to avoid industry and trade disputes, if there are products with almost the same similarity, and also similar brands.¹⁸³

Compared to other countries, MSME actors have not been open enough to mind with the protection of the business undertaken, especially on the brand. Intellectual Property rights are related to the brand, not only related to who uses the product, but also who registers the rights to the brand first. The brand is an economic asset belonging to the MSME actor based on the Brand Law and Geographical Indication by establishing the first registrant principle system which means the protection of brand rights is obtained by the person who first registered his brand.

Brand registration carried out by MSME actors can be done by registering their brand with the Directorate General of IPR or through IPR consultants by preparing registration files such as KTP potokopi, brand etiquette and brand statement letters. This is where the importance of understanding for MSME actors, that the registration of rights to brands is quite time consuming, namely in a span of at least 14 months. The length of the registration process for the right to this brand is one of the reasons MSMEs are impatient and lazy to patronize it. The brand is an economic asset of its owner.

In addition to the above reasons, there are also some obstacles that occur in the registration of rights to the brand, including the following:

1. Unprofessional service in the field of registration of rights to the brand

This unprofessionalism causes long bureaucratic paths in managing trademark rights, thus causing MSME actors to not be motivated to register their trademarks to get proper legal protection. This motivation recedes by itself, because MSME actors have to continue to produce their products every day and continue to earn profits in their activities. The application for the

¹⁸³ Teng Berlianty. 2017. *Op.Cit.* p.23

right to this mark is submitted by MSME actors through the Directorate General of Intellectual Property Rights at the Office of the Ministry of Law and Human Rights in the local province.

2. The amount of administrative costs

Registration of trademark rights requires a very large fee in accordance with the provisions determined by the Directorate General of Intellectual Property Rights. This administrative registration is directly paid by the MSME actors at the beginning of the process, so that if the rights to the brand are not approved to be legalized, the MSME actors will still incur costs.

3. Absence of precise and accurate information

Information provided by consultants on Intellectual Property Rights as well as local governments through socialization, counseling and also guidance to MSME actors that is not precise, accurate and clear, provides different interpretations for MSME actors to register their trademarks. The occurrence of a wrong view in the role of brand protection in an MSME product. This wrong information makes MSME actors lazy to take care of brand rights. In addition, not all MSME actors understand the importance of brand rights.

4. The traditional mindset of MSME actors

Inaccurate guidance and counseling for MSMEs accompanied by the traditional mindset of MSME actors provides an understanding that the products they trade with existing brands are derivatives of the previous ones, so that the brand is indeed their right. In addition, if they start to register their trademark and there is a rejection at the Directorate General of Intellectual Property Rights, the MSME actors do not want to innovate by changing their alternative brand. The mindset of MSME actors like this must be changed, at least through guidance and counseling carried out by the government.

5. The difficulty of the certification process.

At the time of registration of trademark rights, quite a number of MSME actors registered their trademarks where the logo or name had similarities with other MSMEs, so that at the time of certification the process was quite difficult to the point that it

could not be done. Even though the application of trademark rights to MSME actors has a very significant impact, in addition to legal protection, it can also lead to innovation and creativity in these MSMEs.

III. CONCLUSION

The conclusions in this study are:

- A. Criminal sanctions that can be applied to perpetrators of infringement of rights to MSME trademarks according to Law Number 20 of 2016 are listed in Articles 101 and 102, which are complaint offenses with witnesses of a maximum imprisonment of five years and/or a maximum fine of two billion Rupiah for trademark infringement. Meanwhile, the maximum imprisonment of four years and/or a maximum fine of two billion Rupiah for perpetrators who without permission to use a registered mark. As for the perpetrators who trade goods or products known to be counterfeit goods, they are given a maximum imprisonment of one year or a maximum fine of two hundred million rupiah. In addition to the criminal sanctions stipulated in the Law on Marks and Geographical Indications, sanctions for trademark infringement can also be imposed in accordance with Article 382 bis chapter XXVV of the Criminal Code, namely fraudulent acts with a maximum imprisonment of one year and four months and/or a maximum fine of thirteen five hundred thousand rupiah. Article 393 Paragraph (1) of the Criminal Code, namely the act of importing goods into Indonesia with the aim of buying and selling, is subject to a maximum imprisonment of four months and two weeks and a maximum fine of six hundred thousand rupiahs and Article 393 Paragraph (2), namely if the crime committed is not up to five years then sentenced to a maximum imprisonment of nine months.
- B. Factors that become obstacles in influencing MSME actors to register their business marks include expensive registration fees, complicated procedures, not in accordance with community culture, traditional MSME actors thinking, and the difficulty of the certification process.

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IMPLEMENTATION OF INTELLECTUAL PROPERTY POLICY ON MSMEs IN INDONESIA

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) play a critical role in the national prosperity, since their commercial activities can improve the state's job vacancies and provide a wide range of economic services to the community, hence intellectual property rights must be protected. There are so many urgencies for MSMEs to gain a great deal of convenience in the sphere of intellectual property, and further research is required. The utilization of the intellectual property system in this article uses a normative juridical research method that focuses on how to implement policies related to intellectual property. Several reasons, including long and complex registration procedures, expensive registration/registration fees, and inadequate law enforcement for IPR violations, were determined to be impediments in the usage of the IPR system by MSMEs, according to the findings of the study in this article.

Keywords: *Intellectual Property*, MSME

A. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a critical role in boosting Indonesia's wealth demands the optimization of comprehensive intellectual property enforcement. Various laws and regulations have attempted to provide affirmative policies aimed at creating a business climate that can support the growth of MSMEs. In Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (UU MSMEs) the objective is focused on efforts to increase the capacity and role of MSME institutions that are in synergy with the overall national development goals. Article 7 of the

d. (ten billion rupiah) excluding land and buildings for company premises; or have annual sales of more over Rp.2,500,000,000.00 (two billion five hundred million rupiah) up to Rp.50,000,000,000.00 (fifty billion rupiah).

In addition to using monetary value as a criterion for determining the type of MSME, a number of government institutions, such as the Until now, the Central Statistics Agency (BPS) has utilized the number of employees to distinguish between micro, small, medium, and big businesses.¹⁸⁴ According to BPS, micro-enterprises (or in the general manufacturing sector called home industries) are business units Small firms with up to four permanent employees, medium businesses with 20 to 99 employees, and large businesses with more than 100 employees. Rahmana, as quoted by Sudaryanto, et al, grouped MSMEs by looking at their development in terms of several criteria:¹⁸⁵

- a. Livelihood Activities, often known as the informal sector, are Small and Medium Enterprises that are used as job chances to earn a livelihood. A street seller is an example.
- b. Micro Enterprise, which is a Small and Medium Enterprise with a craftsman's nature but no entrepreneurial nature.
- c. A Small and Medium Enterprise with an entrepreneurial spirit and the ability to accept subcontracting and export work is known as a Small Dynamic Enterprise.
- d. A Fast Moving Enterprise (FME) is a Small or Medium Business with an entrepreneurial spirit that will grow into a Big Business (UB).

¹⁸⁴ Ade Irawan Taufik, "Evaluasi Regulasi dalam Menciptakan Kemudahan Berusaha Bagi UMKM", Jurnal Rechtsvinding Volume. 6, Nomor 3, (2017), hlm : 375.

¹⁸⁵ Sudaryanto, et.al, "Strategi Pemberdayaan UMKM Menghadapi Pasar Bebas Asean", <https://www.kemenkeu.go.id/sites/default/files/strategi%20pemberdayaan%20umkm.pdf> (diakses 5 Agustus 2018)

The MSME sector has a very strategic role in the Indonesian economy, in addition to historical records showing that only the MSME sector survived the collapse of the economic crisis that occurred in 1998, while the larger business sector was actually uprooted by the crisis.¹⁸⁶

Some of the reasons that make the MSME sector able to survive in times of crisis cannot be separated from the characteristics of MSME actors as conveyed by Prawirokusumo as quoted by Hempri Suyatna, namely as follows:¹⁸⁷

- a. Flexible, in the sense that if you face obstacles in running your business, you will easily move to another business.
- b. In terms of capital, it does not always depend on outside capital, but it can develop with the strength of its own capital.
- c. In the case of loans (especially small sector entrepreneurs such as traders) they are able to repay loans with high interest rates.
- d. MSMEs are spread throughout Indonesia with business activities in various sectors, are facilities and distributors of goods and services in serving the needs of the community.

Supriyanto further described several advantages of MSMEs over large businesses, including:¹⁸⁸

- a. Product development has seen a lot of technological innovation.
- b. Intimate personal relationships inside a small business.
- c. The ability to create a large number of job openings or absorb a large number of workers.
- d. Flexibility and flexibility to adjust to rapidly changing market conditions, as opposed to large, bureaucratic corporations.
- e. Managerial dynamism and the role of entrepreneurship are present.

¹⁸⁶ Hapsari, Pradnya Paramita et.al, Pengaruh Pertumbuhan Usaha Kecil Menengah (UKM) terhadap Pertumbuhan Ekonomi Daerah (Studi di Pemerintah Kota Batu), *Jurnal Wacana* (2014).

¹⁸⁷ Hempri Suyatna, "Peran Strategis UMKM dan Tantangan di Era Globalisasi", dalam Rachmawan Budiarto, et. Al "Pengembangan UMKM antara Konseptual dan Pengalaman Praktis", Gadjah Mada University Press, Yogyakarta, hlm 5.

¹⁸⁸ Supriyanto, "Pemberdayaan Usaha Mikro, Kecil dan Menengah (UMKM) Sebagai Salah Satu Upaya Penanggulangan Kemiskinan", *Jurnal Ekonomi dan Pendidikan*, Volume 3 Nomor 1 (2006), hlm: 1.

Various data and facts described previously, MSMEs, it may be stated, are a key component of the national economy. In the field of intellectual property, the government and local governments are of course also required to be more pro-active in providing facilities and conveniences for MSME business development to be able to expand their business both domestically and abroad which futuristically will be needed to be able to provide total protection. for business development.

Based on the background described above, the article entitled "IMPLEMENTATION OF INTELLECTUAL PROPERTY POLICY ON MSMES IN INDONESIA" will try to provide a discussion that focuses on the effectiveness of the implementation of intellectual property policies on MSMEs in Indonesia.

B. METODOLOGI PENELITIAN

This article uses a normative juridical research method, where the legal research in this article is carried out by analyzing By doing a search on rules and literature relating to the subject being examined, you can use library materials or secondary data as the basis for your research.¹⁸⁹ The normative juridical research in this article is conducted by examining and understanding theoretical issues connected to brand and co-branding principles, conceptions, theories, and legal norms in intellectual property law regulations.

C. PEMBAHASAN

Intellectual Property Rights (IPR) is a right born from the results of human thought that is realized in the form of intellectual work. Wiradirja and Munzil stated that IPR is a right that arises from creative activity, a human thinking skill that provides benefits and is valuable in supporting human life, as well as having economic value. In industrial and trading activities, economic benefits can not only be enjoyed by the owner but also by other parties. Ways to obtain these economic benefits, among others:¹⁹⁰

¹⁸⁹ Soerjono Soekanto & Sri Mamudji, 2001, "*Penelitian Hukum Normatif (Suatu Tinjauan Singkat)*", Rajawali Pers, Jakarta, hlm. 13-14.

¹⁹⁰ *Ibid.*

- a. IPR is used to run a certain business for the owner himself, for example trademarks and service marks.
- b. IPR is realized in the form of a design model for an industrial product which is then marketed to consumers, for example architectural works.
- c. HKI utilization is transferred to another party through a license (permit) so that the owner gets a double benefit from own use and from the license, for example copyright is licensed to producers, trademark rights are licensed to trading companies, patents are licensed to industrial companies.

In the context of MSMEs, IPR has a positive influence, at least there are several benefits that can be seen from the economic side, legal protection and from the side of stimulating creativity, among others:¹⁹¹

- a. Company Assets: Intellectual Property Rights can be used as a company's financial asset that can be exploited by its owner through sale, license, transfer or it can also be used as a planning and capital tool. Even patent inventors/industrialists because they promise not small profits, and can be used as a means to earn/increase capital/profits.
- b. Supporting Business Development: An ideal business will always strive to maintain the quality of the products/services it produces is always good to gain public trust. IPR-based products that have been trusted by the community will be able to support further business development.
- c. Legal Protection and Prevention of Unfair Business Competition and Enhancing Competitiveness: Every business/business cannot be separated from competition, whether on a local, regional, or international scale. In practice, the IPR protection system is rarely used to prohibit competitors from producing the same/similar goods/services. Instead, through the system,

¹⁹¹ Direktorat Jenderal Hak Kekayaan Intelektual - Departemen Kehakiman dan HAM RI, *Membangun Usaha Kecil Menengah Berbasis Pendayagunaan Sistem Hak Kekayaan Intelektual (Kiat Melindungi Usaha)*, (Jakarta : DJHKI- APEC-IPAustralia, 2004), hlm 13-14.

attempts to limit competitors are made by offering the possibility of obtaining a license. Through this mechanism, it is hoped that the distribution of related products and technology to licensees can be carried out. At the same time, a commensurate royalty fee is expected to be obtained by IPR owners.

- d. Stimulator of Innovation and Creativity: IPR is an exclusive right imposed by the state as an award for a person's intellectual work. Through this award, inventors/creators are expected to be motivated/stimulated to innovate in further developing their intellectual works.
- e. As an Image Building, a quality product protected by IPR will be easily recognized and loved by the public. Furthermore, the continuous use of IPR will form an image of the related product.

Broadly speaking, IPR is divided into 2 (two) parts, namely Copyrights (copyrights) including copyrights and related rights (neighbouring rights) and Industrial Property Rights, which include trademarks, patents, industrial designs, trade secrets, and integrated circuit layout design, can be explained in further depth as follows:

No	Types of Intellectual Wealthal	Scope of Protection	Regulation
1	Copyright	Arts, Literature and Science	Law No. 28 of 2014 concerning Copyright
2	Brandmark	A sign that can be displayed graphically in the form of an image, logo, name, word, letter, number, color arrangement, in the form of 2 (two) dimensions and/or 3 (three) dimensions, sound, hologram, or a combination of 2 (two) or more of these elements to distinguish goods and/or services produced by persons or legal entities in the activities of trading goods and/or services	Law Number 20 of 2016 concerning Marks and Geographical Indications
3	Geographical Indication	A sign indicating the area of origin of an item and/or product which due to geographical environmental factors including natural factors, human factors, or a combination of	Law Number 20 of 2016 concerning Marks and Geographical Indications

		these two factors gives a certain reputation, quality, and characteristics to the goods and/or products produced.	
4	Patent	Inventions in the field of Technology	Law Number 13 of 2016 concerning Patents
5	Trade Secret	information that is not known by the public in the field of technology and/or business, has economic value because it is useful in business activities, and is kept confidential by the owner of the Trade Secret	Law No. 30 of 2000 concerning Trade Secrets
6	Industrial Design	A creation about the shape, configuration, or composition of lines or colors, or lines and colors, or a combination thereof in the form of three or two dimensions that gives an aesthetic impression and can be realized in three-dimensional or two-dimensional patterns and can be used to produce a product, goods, industrial commodities, or handicrafts	Law No. 31 of 2000 concerning Industrial Design
7	Integrated Circuit Layout Design	product in finished or semi-finished form, in which there are various elements and at least one of these elements is an active element, which are partially or completely interconnected and formed in an integrated manner in a semiconductor material intended to produce electronic functions creation in the form of a three-dimensional layout of various elements, at least one of which is an active element, as well as some or all of the interconnections in an Integrated Circuit and the three-dimensional placement is intended to prepare for the creation of an Integrated Circuit.	Law No. 31 of 2000 concerning Industrial Design

The number of MSMEs who are reluctant to take advantage of the IPR system is due to several factors, namely:¹⁹² First, the registration procedure is long and complex; Second, high registration/registration costs; and third, lax enforcement of intellectual property rights. It's also possible to put it this way: For starters, it has to do with the lengthy and complicated registration process, despite the fact that several legislation in the sphere of intellectual property have recently reduced the period, such as in the case of trademark registration, which is considered to be less effective and takes quite a long time, so that simplification is needed. registration process time. The length of the specified time period also does not guarantee that the application will be granted.

Second, based on the provisions of Second Amendment to Government Regulation No. 45 of 2014 concerning Types and Tariffs for Non-Tax State Revenues, which applies to the Ministry of Law and Human Rights. MSMEs get relief from IPR registration fees, but these fees is still considered burdensome, especially for micro and small businesses, even if an application is rejected the registration fee that has been issued by the applicant is not returned. The government and local governments provide incentive programs for MSMEs related to IPR registration, but these incentives have not been able to keep pace with the growth rate of MSMEs in Indonesia. As an illustration, the Ministry of Cooperatives and SMEs (Kemenkop UKM) throughout 2017 has facilitated more than 3000 (three thousand) MSME actors to obtain IPR. Whereas in North Sumatra Province the growth of MSMEs in 2013 to 2017 has increased, in 2017 the number of MSMEs in North Sumatra alone amounted to 2,857,124, and support for the Acquisition of Brand Rights, Patent Rights and Intellectual Property Rights for Small Businesses until April 2018 in North Sumatra as many as 330 so that

¹⁹² V. Selvie Sinaga, "Faktor-Faktor Penyebab Rendahnya Penggunaan Hak Kekayaan Intelektual di Kalangan Usaha Kecil Menengah Batik", *Jurnal Hukum Ius Quia Iustum*, Volume 21, Nomor 1 (2014):71.

It is only natural that there are still many MSMEs that are not facilitated by the incentive program.¹⁹³

Third, law enforcement for IPR violations is very weak because the public does not understand that all criminal offenses contained in various laws in the field of Intellectual Property Rights are complaint offenses, so that when an IPR violation occurs, if the IPR holder does not file a complaint with law enforcement, the case will be dismissed. cannot be processed further. The main consideration for the complaint offense is to give stronger rights to IPR holders when litigating.

In connection with the very significant role of MSMEs in advancing the national economy, the government and local governments should issue affirmative policies for MSMEs, including in the field of intellectual property rights. So that every citizen has the same ability to obtain protection and fulfillment of the same constitutional rights, special treatment is needed for certain groups. Only with such special treatment or affirmative action can equal treatment be achieved in the protection and fulfillment of the constitutional rights of every citizen. Hendri Sayuti stated that this affirmative action is the path that many countries have chosen as a response to discriminatory social conditions.¹⁹⁴

In addition, by enacting laws, regulations, and policies in the area of trade promotion, one of which is aimed at facilitating the ownership of intellectual property rights over Micro, Small, and Medium Enterprises' products and designs in domestic and export business activities, as well as encouraging Micro, Small, and Medium Enterprises in dealing with the needs of intellectual property right certificate for a futuristic order of free trading around the worlds.

¹⁹³ "Paparan Kepala Dinas Koperasi dan UKM Provinsi Sumatera Utara pada Rakornas Bidang KUMKM Tahun 2018" http://www.depkop.go.id/uploads/tx_rtgfiles/10._Paparan_Rakornas_Yogyakarta_2018_-_Sumatera_Utara.pdf (diakses 6 Agustus 2021).

¹⁹⁴ Hendri Sayuti, "Hakikat Affirmative Action dalam Hukum Indonesia (Ikhtiar Pemberdayaan yang Terpinggirkan)", *Jurnal Menara*, Volume 12 Nomor 1 (2013) : 41.

D. SUMMARY

Given the very strategic role of MSMEs in the national economy where their business activities are able to expand employment opportunities and provide broad economic services to the community, the protection of intellectual property rights must be optimally utilized by MSMEs, this is very important, so that the products produced by MSMEs in Indonesia can be protected and not easily imitated by others so that it can harm the interests of MSMEs. However, there are various obstacles in the use of the IPR system by MSMEs due to several factors, including, long and complex registration procedures, expensive registration/ registration fees and weak law enforcement for IPR violations..

In order to develop a business climate that supports MSMEs, it is also necessary to strive to increase the capacity and role of MSME institutions in an integrative manner, by providing equal opportunities for MSMEs and even privileges, especially in the intellectual property sector through affirmative policies. Because, only with special treatment in the affirmative policy, equality of treatment can be achieved in the protection and fulfillment of the constitutional rights of every citizen.

The elimination of registration fees for IPR applications for Micro-enterprises and the granting of waivers for Small and Medium Enterprises, as well as affirming that all areas of IPR must be used as fiduciary guarantees, are affirmative policies that must be implemented immediately to support the advancement of MSME businesses. As a result, a legal breakthrough is required by hastening changes to various IPR-related laws and regulations, such as Law No. 20 of 2016 on Marks and Geographical Indications, Law No. 30 of 2000 on Trade Secrets, Law No. 31 of 2001 on Industrial Designs, and Law No. 32 of 2000 on Integrated Circuit Layout Designs. and Government Regulation Number 45 of 2016 Second Amendment to Government Regulation Number 45 of 2014 concerning Types and Tariffs of Types of Revenue Non-Tax State that applies to the Ministry of Law and Human Rights, especially those related to the determination of PNPB rates for applications for HKI registration.

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