IMPLEMENTATION OF GOVERNMENT REGULATION NUMBER 7 OF 2021 CONCERNING CONVIENCE, PROTECTION, EMPOWERMENT, COOPERATIVES AND SMEs IN THE FRAMEWORK OF DEVELOPMENT NATIONAL ECONOMY

IMPLEMENTASI PERATURAN PEMERINTAH NOMOR 7 TAHUN 2021 TENTANG KEMUDAHAN, PERLINDUNGAN, PEMBERDAYAAN, KOPERASI DAN UKM DALAM RANGKA PEMBANGUNAN EKONOMI NASIONAL

Lukmanul Hakim^{1*}, Okta Ainita²

1,2 Faculty of Law, Universitas Bandar Lampung *Lampung, Indonesia

*Email: lukmanul.hakim@ubl.ac.id

Received: May 28, 2023 Accepted: June 10, 2023 Online Published: September 30, 2023.

ABSTRACT

MSME business actors in Indonesia are currently one of the pillars driving the national economy with a very large contribution to the Indonesian economy. Currently, most of the workforce is absorbed by MSME business actors spread across various corners of the country who embrace and live up to the potential of the wider community. Several policies that currently exist after the issuance of Law Number 11 of 2020 concerning Job Creation also have several other regulations, including the presence of Government Regulation Number 7 of 2021 concerning Convenience, Protection, Empowerment of Cooperatives and SMEs. For this reason, strong synergy and collaboration is needed in order to accelerate the development of MSMEs as a mechanism for developing legal rules, especially administration from a development law perspective.

Keywords: Implementation, Protection, Empowerment, MSMEs.

ABSTRAK

Pelaku usaha UMKM di Indonesia saat ini merupakan salah satu pilar pendorong ekonomi nasional dimana kontribusi yang sangat besar terhadap perekonomian Indonesia. Penyerapan Tenaga kerja juga saat ini dimiliki paling banyak dari pelaku usaha UMKM yang tersebar di berbagai pelosok negeri yang merangkul dan menghidupkan potensi masyarakat luas. Beberapa kebijakan yang ada saat ini pasca terbitnya Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja juga memiliki beberapa peraturan lainnya diantaranya adalah hadirnya Peraturan Pemerintah Nomor 7 Tahun 2021 tentan Kemudahan, Pelindungan, Pemberdayaan Koperasi dan UKM. Untuk itu diperlukan sinergi dan kolaborasi yang kuat guna dapat mengakselerasi pengembangan UMKM sebagai salah satu mekanisme pengembangan aturan hukum khususnya pengadministrasian dalam perspektif hukum pembangunan.

Keywords: Implementasi, Perlindungan, Pemberdayaan, UMKM.

I. INTRODUCTION

Indonesia currently has a very dominant distribution of MSMEs compared to large businesses. Based on data from the Ministry of Cooperatives and SMEs as of March 2021, the number of MSMEs has currently reached 64.2 million with a contribution to Gross Domestic Product (GDP) of 61.07 percent or worth Rp. 8 ,573.89 trillion. Apart from that, MSMEs also absorb labor because the number of micro and small business actors reaches 99.99 percent of the total business actors in Indonesia. National development in Indonesia is focused on alleviating poverty, reducing disparities, increasing employment opportunities, revitalizing agriculture and rural areas. Discussing development, especially in developing countries, cannot be separated from the economic sector. The success of development in developing countries can be seen from developments in the region itself. Community life can never be separated from economic behavior that is typical of economic institutional patterns that have not been able to abandon the characteristics of a subsistence-oriented economic society.

Current economic activities are still dominated by micro and small scale businesses with the main actors being farmers, farm workers, traders of agricultural production facilities and products, agricultural product processors, craftsmen, laborers and retailers. MSME business actors are still faced with the classic problem of limited capital availability. 5

The economic crisis at the end of the 1990s brought valuable lessons, especially for development, that profiting from big business is not the goal, especially in efforts to equalize social security. There are at least two important lessons that can be learned from the economic crisis. First, the strategy of equalizing development results using the trickle down method is

¹ Saputri, O. B. (2020). Pemetaan Potensi Indonesia Sebagai Pusat Industri Halal Dunia. Jurnal Masharif al-Syariah: Jurnal Ekonomi dan Perbankan Syariah, 5(2), 23–38. Sismanto. (2021). The Halal Industry in Jurisprudence Islamic Law Perspective. At Tawazun, 9(1), 34–40.

² Agus Susman dan Ahmad Erani *Yustika*, 1997, *Perspektif Baru Pembangunan Indonesia: Catatan Kritis terhadap Isu-Isu Aktual*, Brawijaya University Press and P3BE, Malang; p. 27

³ Scott. J.C. 1981. *Moral Ekonomi Petani, Pergolakan dan Subsisteansi di AsiaTenggara,* Gramedia , Jakarta ; p. 23

⁴ J. R. Saragih, (2015). Perencanaan Wilayah dan Pengembangan Ekonomi Lokal Berbasis Pertanian. Yogyakarta: Pustaka Pelajar. p. 34

 $^{^{5}}$ A. Murni dan Amaliawiati, $\,$ (2012). Ekonomika Mikro. Bandung: PT Refika Aditama. p. 23

difficult to implement in practice. The concept of corporate-based growth favors entrepreneurs who do not have strong roots, so that the hope of equal distribution of development results is not realized. Second, developing the agricultural sector or more broadly rural development is the right choice to bring the country's economy out of the crisis.⁶

The aftermath of the Economic Crisis in Indonesia has provided an important note about Indonesia's economic performance. The Indonesian economy is apparently dominated by the corporate sector, while other pillars of economic development such as micro and small businesses cannot speak much. When the crisis occurred it was proven that the corporate sector could not survive well. On the other hand, micro businesses, which previously played less of a role in the Indonesian economy, have proven to be more able to withstand the economic turmoil that led to this multidimensional crisis. Based on the resilience of the micro business sector, the government then created a paradigm to develop this sector more seriously.⁷

Several reasons why micro businesses were able to survive in the midst of the 1997 monetary crisis. First, most micro-enterprises produce consumer goods and services with low income elasticity of demand, so the average income level of society does not have much influence on the demand for the goods produced. On the other hand, an increase in income levels also has no effect on demand. Second, most micro businesses do not receive capital from banks. The implication is that the downturn in the banking sector and rising interest rates will not have much impact on this sector. In contrast to the problematic banking sector, micro businesses have had their business activities disrupted. Meanwhile, large periodic businesses can survive. In Indonesia, MSMEs use their own capital from savings and their access to banking is very low.8

It has been proven that during the global crisis that occurred some time ago, micro businesses emerged as a solution to a healthy economic system. MSMEs are one of the industrial sectors that have been little or not at all affected by the global crisis that has hit the world. With this evidence, it is clear that micro businesses can be taken into account in increasing market competitiveness and stabilizing the existing economic system. The government's tendency to pay more attention to the large business sector actually received a very serious blow when the economic crisis hit Indonesia a decade and a half ago where one by one large businesses began to fail due to the impact of the crisis, even at that time the MSME sector was still able to survive. facing the economic crisis and being able to absorb the workforce after massive layoffs occurred due to the large number of large companies going bankrupt.⁹

⁶ Ihwan Susila, 2007, Analisis Efisiensi Usaha Mikro, jurnal ekonomi pembangunan vol. 8, no. 2, desember 2007, p.. 224

⁷ A. R., Setyanto, B. R., Samodra, & Y. P. Pratama, (2015). Kajian Strategi Pemberdayaan UMKM Dalam Menghadapi Perdagangan Bebas Kawasan ASEAN (Studi Kasus Kampung Batik Laweyan). Jurnal Etikonomi, p. 208

⁸ Rangkuti, F. (2002). Riset Pemasaran. Jakarta: Gramedia Pustaka Utama. p. 77

⁹ Hidayat (2013). Analisis Efisiensi Penggunaan Faktor-Faktor Produksi Pada Usaha Kecil dan Menengah Batik Di Kelurahan Kauman Kota Semarang. Economics Development Analysis Journal, Vol. 2 No. 1. p. 78

The market penetration ability of MSMEs is more oriented towards the domestic market than the international market. On the one hand, this indicates that the market penetration ability of MSMEs is still limited, which also results in the limited level of profitability that MSME entrepreneurs can receive. Several problems for MSMEs have been answered with the presence of Government Regulation Number 7 of 2021 concerning Facilitation, Protection, Empowerment of Cooperatives and SMEs by prioritizing the needs of MSME business actors, each of whose needs experience differences and cannot be generalized between one MSME business unit and another MSME because Each business actor has different needs and cannot be generalized or equated. 10

The discussion above related to the main problems in this study was developed based on several main questions as follows: How is the implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs currently? And what are the inhibiting factors for implementing Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs?

II. METHOD

The research method used in this research is using the library method using secondary data. 11 This secondary data consists of primary legal materials, secondary legal materials and tertiary legal materials. 12 The data processing and analysis method used by the author is qualitative methods, although in his presentation quantitative data is also used to support the analysis, especially data regarding existing regional regulations regarding the licensing sector. With qualitative methods, the quality and validity of data from secondary data that will be used is prioritized and not the amount or quantity. This qualitative method will produce analytical descriptive data that what is stated by the research target in question will be expressed in writing or verbally and in real behavior. 13 Apart from secondary data, researchers also use field studies or empirically conducted through interviews or interviews with resource persons who have competence related to the problem to be researched. This activity aims to find out more deeply about the complete situation around the community and in the environment related to the thing being researched.14

B. Limbong (2013). Ekonomi Kerakyatan dan Nasionalisme Ekonomi. Jakarta: Margaretha Pustaka. p. 68

¹¹ Soerjono Soekanto, *Pengantar Penelitian Hukum*, Cetakan 8, UI-Press, Jakarta, 2018, p. 10-13

¹² Mukti Fajar dan Yulianto Achmad, *Dualisme Penelitian Hukum Normatif dan Empiris*, Pustaka Pelajar, Yogyakarta, 2015, p. 156

¹³ Ibid

¹⁴ Zainuddin Ali, Metode Penelitian Hukum, Sinar Grafika, Jakarta, 2009, p. 47.

III. ANALYSIS AND DISCUSSION

a. Current implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs

In general, the term implementation in the Big Indonesian Dictionary means implementation or application. The term implementation is usually associated with an activity carried out to achieve a certain goal. One effort to realize this in a system is implementation. Policies that have been determined, because without implementation a concept will never be realized. The implementation of policy is actually not only related to the mechanism of translating political decisions into routine procedures through bureaucratic channels, but more than that it concerns issues of conflict, decisions and who gets what from a policy. ¹⁵

Webster's Dictionary, briefly formulates that to implement (implement) means to provide the means for carrying out (providing the means to carry out something), to give practical effect to (causing an impact or consequence on something). This understanding means that to implement something it must be accompanied by supporting facilities which will later have an impact or consequence on that something.

Synergy and continuity in empowering MSMEs needs to be supported by adequate regulations and implementors. The Ministry of Cooperatives and SMEs as the leading sector that manages MSMEs contributes to overseeing policies regarding the protection and empowerment of cooperatives and SMEs, especially as outlined in the implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection, Empowerment of Cooperatives and SMEs.

Furthermore, when talking about a policy, the author takes the theory of policy implementation from Van Meter and Van Horn where policy implementation is influenced by various variable indicators which are linked to the existence of Government Regulation Number 7 of 2021 concerning Convenience, Protection, Empowerment of Cooperatives and SMEs, which include the following:

- 1) Policy standards and targets, which means identifying the desired achievement parameters and policy objectives, including increasing business capacity standards according to the characteristics of currently existing SMEs.
- 2) The resources needed to implement policies include human resources and financial resources, where one of the problems related to resources is very vital.
- 3) The characteristics of the implementing organization cannot be separated from the analysis of the formal structure model and the non-formal attributes of SME business actors which were originally informal in the hope that in the future they can become formal businesses to encourage the improvement of the national economy.

¹⁵ Mohammat agus fuat dan Roy Valiant Salomo, Implementasi Kebijakan Peraturan Pemerintah Nomor 7 Tahun 2021 yang Berkaitan dengan Pemberdayaan UMKM dalam Pengadaan Barang dan Jasa di Kementerian Koperasi dan UMKM, BRILIANT: Jurnal Riset dan Konseptual Volume 8 Nomor 2, Mei 2023, p. 285.

- 4) Communication between organizations and implementing activities. Communication between organizations is important to ensure that policies are understood by implementing actors and can be translated into activities. Such as harmonization and synergy between business actors and other government institutions to support existing policies.
- 5) The attitude of implementers is one of the keys to successful policy implementation. The indicators of policy implementing tendencies can be seen from understanding related policies, trends in activities carried out, and the intensity of responses. Sixth, social, economic and political environmental conditions. According to Van Meter and Van Horn, this factor is able to influence the achievements of policy implementing organizations. ¹⁶

In policy implementation, various dynamics of actors can be seen who implement policies in a harmonious and synergistic manner to jointly produce optimal policy performance. This includes combining synergies through government institutions, the private sector, academics and business actors. Government Regulation Number 7 of 2021 is a very visionary effort considering that previously it only existed in Law Number 20 of 2008 concerning MSMEs, now the development of policy through the Job Creation Law which is also rigidly strengthened in Government Regulation Number 7 of 2021 can be new references in order to implement policies related to developing and increasing the capacity of MSME business actors.

Based on the discussion above, it can be concluded that the implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection, Empowerment of Cooperatives and SMEs has been very good but its implementation has not been optimal because there are several things including factors that hinder it so that some areas still do not look optimal, but for implementation or the implementation itself has been said to be quite evenly distributed in all regions in Indonesia. Government Regulation Number 7 of 2021 itself is a very good and quite rigid regulation regulating characteristics, protection, development and other matters that have been proposed in regulations related to previous regulations where this development is one of the most important things, especially in increasing the capacity of actors. efforts from an institutional perspective are a priority for the government to encourage national economic development in Indonesia.

So it can be said that the implementation of Government Regulation Number 7 of 2021 is considered to be quite good, but it must be carried out continuously through counseling and outreach, especially in several areas where this has not been met or where business capacity is still not running optimally. For this reason, the role of regional government through the sector that manages MSMEs can further optimize its role in implementing government regulations so that they can run well and optimally.

130

¹⁶ Tachjan. (2006). Implementasi Kebijakan Publik. Bandung: AIPI Bandung p. 39

Inhibiting factors for implementing Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs

To see the factors inhibiting the implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs. This research uses George C. Edward III and Mazmanian & Sabatier's theory. Communication Communication is one aspect that influences the success of policy implementation. Communication greatly determines the success of achieving the goals of implementation. Effective implementation occurs when decision makers already know what will be done. Knowledge of what will be done can work if communication goes well, so that every decision and implementation regulation must be communicated to the appropriate personnel department.

In other words, goals, objectives and various information related to policies must be transmitted properly and correctly to ensure the success of a policy. There are three things that can be seen from the communication aspect, namely socialization, understanding modern shop business permit policies, and coaching. Program socialization is intended so that parties involved in the program can understand and understand the aims and objectives of the program as well as the provisions that have been set so that they can implement the program as well as possible.¹⁷

The socialization carried out in order to increase business capacity for business actors starts with increasing business legality, increasing knowledge and understanding of marketing strategies, knowledge of improving the products offered. This socialization was carried out by implementing officials carried out by each agency in charge such as Disperindagkop, DPMPTSP, who participated in the socialization and invited representatives of modern shops, village heads/hamlets, sub-district heads and community members. Based on the interviews that have been conducted, for clarity on the policy, it turns out that each agency has its own understanding, there are 3 SKPD agencies related to the policy of Government Regulation Number 7 of 2021 concerning Facilitation, Protection, Empowerment of Cooperatives and SMEs, namely Disperindagkop and DPMPTSP for the level of understanding Disperindagkop and DPMPTSP understand this policy much better because it is their domain. Furthermore, for coaching, the two agencies, Disperindagkop and DPMPTSP, have different SOPs. At Disperindagkop, coaching runs well and is tolerant and the SOP is P3 (Supervision, Order, Control), whereas at DPMPTSP, coaching has no connection with the agency, only socialization is carried out by the permit registration sector.

Policy implementation theory has been explained by many experts, including George Edward III. What is interesting about policy implementation theory is that experts and their theories have different goals and priorities to see the success of policy implementation which is most suitable for identifying and analyzing various factors that hinder policy implementation.

Some of the obstacles that occur in the field are caused by several factors, including:

 $^{^{\}rm 17}$ Tulus Tambunan, (2002). Usaha Kecil dan Menengah di Indonesia "Beberapa Isu Penting". Jakarta: Salemba Empat, p. 43

First is communication. A policy will be successfully implemented correctly if the party responsible for implementing the policy in question knows exactly what to do. The problem depends on the communication process between creators and those responsible for implementing policies and content. The communication process itself must contain clear, detailed, systematic and continuous instructions. If not, there may be confusion or multiple interpretations and even an opportunity for actors not to apply the same policies at all. Therefore, the objectives of the policy in question are certain.

Second, the human resources aspect of business actors, if the policy instructions are clear, resources are needed. In this case, the human resources are sufficient in quantity and quality. the amount of resources is expected to be adequate and the quality is characterized by conformity with shared professional qualifications. Hopefully the resources mentioned can produce maximum performance in policy implementation.¹⁸

Third, the attitude that business actors must take is to maintain sufficient quantity and quality and another thing that is needed is the attitude of the practitioners themselves. They must have a positive attitude and outlook while implementing this policy. I am sure this policy will produce good results for their organization. However, many facts were found that the policy was implemented as the director himself wanted, causing confusion and disorientation in implementing the policy in question.

Lastly, the bureaucratic structure. Despite the clarity of instructions, the resources gathered and the attitude of project managers Still active in policy implementation Still can fail due to structural factors. bureaucracy. For example, weak cooperation is a result of signs of organizational fragmentation. You can also be marked by the existence of standard operating procedures that are not flexible. When the procedure only adapts to existing fonts and is currently being implemented but does not comply with the new policy. 19

Based on the discussion above, it can be concluded that several inhibiting factors in implementing Government Regulation Number 7 of 2021, among others, come from human resources themselves, especially human resources from MSME business actors who do not yet know the importance of increasing business capacity which will later provide positive things for his business. Apart from the human resource factor which is an obstacle to implementing Government Regulation Number 7 of 2021, it can also be seen from the bureaucratic structure which is also still not optimal in carrying out outreach to business actors so that there are still many business actors who do not understand why it is important to increase business capacity for the business actors themselves. .

Apart from that, several other obstacles are communication factors and attitudes of business actors who do not want to improve important business aspects such as institutional aspects, legal aspects or legality or licensing,

¹⁸ Sudantoko, (2011). Strategi Pemberdayaan Usaha Skala Kecil Batik di Pekalongan. Jurnal Eksplanasi, Vol. 6, No. 1, p. 42.

¹⁹ Afrianto, R., & Prasojo, E. (2020). Analisis Proses Pengisian Jabatan Administrator dan Jabatan Pengawas Berbasis Merit System di Kementerian Energi dan Sumber Daya Mineral. Transparansi: Jurnal Ilmiah Ilmu Administrasi, 3(1), 17–28. https://doi.org/10.31334/transparansi.v3i1.672, p. 45

financial aspects, technological aspects and other aspects that are a current need to become driving the capacity development of business actors.

For this reason, there is a need for synergy and harmonization of stakeholders related to several things that are inhibiting factors as well as several things that may be started to be addressed by relevant stakeholders, such as the role of related agencies and the role of business actors as well as human resources which are supporting factors for business development for business actors. so that related policies can run optimally.

IV. CONCLUSION

Implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs is currently very optimal but there needs to be further socialization or counseling at the sub-district and sub-district levels so as not to create information asymmetries in areas, especially the smallest scope, namely sub-districts.

Inhibiting factors for the implementation of Government Regulation Number 7 of 2021 concerning Facilitation, Protection and Empowerment of Cooperatives and SMEs include a lack of socialization at the sub-district or sub-district level as well as a lack of understanding of the community, especially business actors, in developing or increasing business capacity.

REFERENCE

- A. Murni dan Amaliawiati, (2012). Ekonomika Mikro. Bandung: PT Refika Aditama.
- A. R., Setyanto, B. R., Samodra, & Y. P. Pratama, (2015). Kajian Strategi Pemberdayaan UMKM Dalam Menghadapi Perdagangan Bebas Kawasan ASEAN (Studi Kasus Kampung Batik Laweyan) . Jurnal Etikonomi,
- Afrianto, R., & Prasojo, E. (2020). Analisis Proses Pengisian Jabatan Administrator dan Jabatan Pengawas Berbasis Merit System di Kementerian Energi dan Sumber Daya Mineral. Transparansi: Jurnal Ilmiah Ilmu Administrasi, 3(1), 17–28. https://doi.org/10.31334/transparansi.v3i1.672.
- Agus Susman dan Ahmad Erani *Yustika*, 1997, *Perspektif Baru Pembangunan Indonesia: Catatan Kritis terhadap Isu-Isu Aktual*, Brawijaya University Press and P3BE, Malang.
- B. Limbong (2013). Ekonomi Kerakyatan dan Nasionalisme Ekonomi. Jakarta: Margaretha Pustaka.
- Hidayat (2013). Analisis Efisiensi Penggunaan Faktor-Faktor Produksi Pada Usaha Kecil dan Menengah Batik Di Kelurahan Kauman Kota Semarang. Economics Development Analysis Journal, Vol. 2 No. 1.
- Ihwan Susila, 2007, Analisis Efisiensi Usaha Mikro, jurnal ekonomi pembangunan vol. 8, no. 2, desember 2007.
- J. R. Saragih, (2015). Perencanaan Wilayah dan Pengembangan Ekonomi Lokal Berbasis Pertanian. Yogyakarta: Pustaka Pelajar.
- Mohammat agus fuat dan Roy Valiant Salomo, Implementasi Kebijakan Peraturan Pemerintah Nomor 7 Tahun 2021 yang Berkaitan dengan Pemberdayaan UMKM dalam Pengadaan Barang dan Jasa di

- Kementerian Koperasi dan UMKM, BRILIANT: Jurnal Riset dan Konseptual Volume 8 Nomor 2, Mei 2023.
- Mukti Fajar dan Yulianto Achmad, *Dualisme Penelitian Hukum Normatif dan Empiris*, Pustaka Pelajar, Yogyakarta, 2015.
- Peraturan Pemerintah Nomor 7 Tahun 2021 tentang Kemudahan, Pelindungan, Pemberdayaan Koperasi dan UKM.
- Rangkuti, F. (2002). Riset Pemasaran. Jakarta: Gramedia Pustaka Utama.
- Saputri, O. B. (2020). Pemetaan Potensi Indonesia Sebagai Pusat Industri Halal Dunia. Jurnal Masharif al-Syariah: Jurnal Ekonomi dan Perbankan Syariah, 5(2), 23–38.
- Sismanto. (2021). The Halal Industry in Jurisprudence Islamic Law Perspective. At Tawazun, 9(1), 34–40.
- Scott. J.C. 1981. Moral Ekonomi Petani, Pergolakan dan Subsisteansi di AsiaTenggara, Gramedia , Jakarta.
- Soerjono Soekanto, *Pengantar Penelitian Hukum*, Cetakan 8, UI-Press, Jakarta, 2018.
- Sudantoko, (2011). Strategi Pemberdayaan Usaha Skala Kecil Batik di Pekalongan. Jurnal Eksplanasi, Vol. 6, No. 1.
- Tachjan. (2006). Implementasi Kebijakan Publik. Bandung: AIPI Bandung.
- Tulus Tambunan, (2002). Usaha Kecil dan Menengah di Indonesia "Beberapa Isu Penting". Jakarta: Salemba Empat.
- Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja
- Undang-Undang Nomor 20 Tahun 2008 tentang Usaha Mikro, Kecil dan Menengah
- Zainuddin Ali, Metode Penelitian Hukum, Sinar Grafika, Jakarta, 2009.