

# IMPACT OF COOPERATIVE LIBERALIZATION AND REVITALIZATION EFFORT STUDIES CASES IN SUNGAI BAHAR JAMBI AND KUBU RAYA, WEST KALIMANTAN

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## Abstract

Study qualitative phenomenology this aim for describing the behavior effort of Village Unit Cooperatives (KUD) post policy liberalization cooperative through Inpres Number 18 of 1998 and how effort revitalization carried out so that KUD can grow and playback. Study this was carried out at 3 KUD in Sungai Bahar District – Jambi, and 3 KUD in the district Sungai Raya District, West Kalimantan. Research results show that post issued Presidential Instruction No. 18 of 1998 KUD in Sungai Bahar experience setbacks good from amount institution nor work done as consequence lost competition with perpetrator capitalized business big. While the KUD in the district Kubu Raya since stood up already a problem, KUD was established no initiative KUD members but stand up on initiative company plantation coconut palm oil which finally KUD died since stand. Effort KUD revitalization above Support government through Candy Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 yet succeed as a consequence not yet understood by KUD management, officers KUD extension workers, and less Support financing good on the Bahar River as well as in Kubu Raya.

**Keyword:** cooperative liberalization, sungai bahar, kubu raya, kalimantan

## INTRODUCTION

Village Unit Cooperatives in Indonesia are official there is since 1974 marked with issued Instruction President Number 4 of 1984. KUD is a development from the Village Unit Business Entity (BUUD) which has been there before. This KUD the more strengthened with cooperation with Bank Rakyat Indonesia in channel credit means production agriculture, marketing results agriculture and business everything use. KUD's success is not free from mixed hand government, in the end, reach success in the middle of 1998's. Consequently crisis the economic conditions experienced by Indonesia in 1998, one of which The Indonesian government should work same with financial institutions International especially the International Monetary Fund (IMF). The existence of cooperation with the IMF turns out to bring impact for cooperatives. one impact cooperation with the IMF is publication Inpres number 18/1998 which gives freedom to Public for setting up cooperatives in accordance aspirations and needs for develop activity his efforts. (Wahyudi , Ernawati , and Aini. 2021). Since that moment, KUD does not again become the only cooperative in rural areas. Enforcement Inpres number 18/1998 has an impact on the rapid enhancement amount of non-KUD cooperatives and the declining number of KUD. Amount non-KUD cooperatives increase almost double only in time around two years (1998-2000), while the number of KUD experienced a drop of around 25% (Suradisastra, 2006).

As a consequence of the setback KUD efforts provide impacted the well-being of farmers

specifically KUD members in Indonesia, including KUD in the sector plantation coconut palm. Setback potential KUD business gives consequence badly for well-being farmer. The difficulty gets access to credit capital with easy terms and interest light is one consequence negative the decline of the KUD. Farmer is susceptible to being caught in the trap of debt from the moneylender or institution finance that provides loans with a flower high. KUD function replaced by a business individual as well as business entities with more capital strong and potential cause happening game price means production agriculture nor product post bad harvest farmers ( Wahyudi, 2017). Regarding the impact of KUD in the sector plantation coconut palm both KUD in Sungai Bahar area, Regency Muaro Jambi – Jambi as well as KUD in Sungai Raya Sub-district, and Ambawang, District Kubu Raya – West Kalimantan?

Realize existence setback cooperative that government Secretes policy revitalization cooperative including KUD through Regulation of the State Minister for Cooperatives and SMEs has published Regulation of the State Minister for Cooperatives and Small and Medium Enterprises Republic of Indonesia (Candy Cooperatives and SMEs) number 01/PER/M.KUKM/I/2013 regarding guidelines revitalization cooperative. Regulation the then replaced with Candy Cooperatives and SMEs number 25/Per/M.KUKM/IX/2015 concerning revitalization cooperative. in line with that the government also publishes Law (UU) number 11 of 2019 concerning Creating work, in particular, it is regulated in article 2 that government gives convenience, protection, and empowerment to Cooperatives and Micro, Small, and Medium Enterprises as referred to in paragraph (1) is carried out through: a. construction; and b. gift facilities. Is provision this namely Law No. 11 of 2019, Permen Kop and UMUK as well as Candy about revitalization already understood by KUD stakeholders in both areas both in Sungai Bahar District – Jambi and in the district Kubnu Raya – West Kalimantan? This thing is one question study this.

Based on the background back above submitted formula problem is as follows:

- a. How do conditions activities and issues KUD effort after issued policy liberalization cooperative either in Sungai Bahar – Jambi or in Kubu Raya – West Kalimantan?
- b. How obstacles and efforts in skeleton revitalization cooperative post policy liberalization cooperative?

## LITERATURE REVIEW

Study about Cooperative During this many conducted quantitative and not capable find tree problem why cooperative no can develop including KUD in the plantation sector especially coconut oil palm that has opportunity business potential. That thing supported with characteristics the business run by KUD natural difficult entered by business private thing this possible as a form of business cooperation among company coconut palm as core with KUD as plasma. Results of research conducted Hendrani, S. (2018) mentions that the plantation KUD coconut palm oil in the Riau area can endure because many get help from company coconut palm like help truck for transport results coconut palm oil, help procurement fertilizers, and facilities other. In line with that Suratno, Denmark, and Narmaditya (2021) also mention that

the plantation KUD business unit coconut palm difficult rivaled other companies because of KUD's success in the shape network business. Company and KUD live each other complement. Only only difference the company can grow and Becomes business big and modern while the KUD remains just traditional and scale limited effort.

KUD has a history length that began in the 1950s known as Cooperative Agriculture. Cooperative then develop and became a Village Business Unit (BUUD) in 1963 which was used by the government to support the self-sufficiency program food. Then in 1973 BUUD was strengthened and replaced by Becomes Village Unit Cooperatives (KUD) with working areas covering one district. KUD continues to get Support from the government but in 1998 the Cooperative experience anti-climax that is with issued Inpres Number 18 of 1998 which revokes KUD privileges and must compete with the private sector in general, including must compete with KUD. Economy globalization moment. The studies and literature show that existence cooperatives in many countries are very close and even almost dependent on the government. This thing shown by research by Beber, Theuvsan, and Otter (2018) which stated that cooperatives formed part big because of market failure. Proof that cooperatives need Support government is revealed by Hariyoga and Sexton (2009) who did research at Tri Valley Growers (TVG) in California. Cooperative this engaged in agriculture specifically processing results agriculture fruits and tomatoes. Cooperative this bankrupt because lack of Support from the government besides the management of bad business, especially management business, productivity, and systems information that is not good.

As the impact of progress technology demands global change, the era of globalization appears economy. A globalization economy is an activity economy in a world without a limit across the country. Agusalam and Pohan (2017) stated that a globalization economy could be profitable but also can harm others. More carry on Supriyanto (2011) stated that through globalization only working companies with efficient and productive products with price cheap will be able to survive. Lindbloom, J. (2014) thinks that the management strategy cooperatives (as well as administrators) cooperative) to resolve global pressure with management highly competitive businesses in the global market need to be applied in principles effort cooperative. In other words, the principle of cooperation must customize with the era of globalization demanding economic efficiency and implement principles of management modern business as a competitive strategy. In line with it, Satgar, V. (2007) state like case cooperatives in Slovakia and other studies show that is very difficult for maintaining and advance business cooperative with maintaining the principle of cooperation and democracy in taking decision. More carry on Nilsson (2001) explains that the majority of cooperatives in Slovakia have failed to maintain and improve performance regulated cooperatively by democratic. Change principle ownership right voice abandoned and applied management modern business based efficiency effort run as the path taken for maintaining cooperative.

As impact issued inpres number 18 of 1998, a lot cooperative especially the boisterous KUD mat. Realize Danya Thing that the government since the year 2013 trying to revive the co-op especially KUD in Indonesia. KUD revitalization program started handled by marked serious with issued Candy Cooperatives and Small and Medium Enterprises number

25/Per/M.KUKM/IX/2015 concerning revitalization cooperative. According to Suryaningsum, Effendi, and Gusaptono (2017), revitalization is an effort to empower or advance a return to something experienced setbacks. This thing means revitalization cooperative could be interpreted as an effort to empower or advance return something current cooperative this experience setback.

The regulation about revitalization is applicable to the cooperative moment this put cooperatives not only working as object revitalization, but cooperatives are also subject (actor) revitalization. Government believes that problem is inside the cooperative. Because of that, the internal parties of the cooperative which include administrators, supervisors, employees, and members is capable party complete problem the alone. The policy has taken the government moment this confirmed revitalization cooperative bottom-up. That is, the revitalization of the cooperative must be done by the community itself that is internal cooperative parties. Government plays a role support activity revitalization in form gift facilitation, consultation, mentoring, monitoring, and evaluation to cooperatives working on it.

## **METHODOLOGY**

Study this design use method qualitative like taught by Creswell (2016). Study with combine design phenomenology and studies case. Through the approach phenomenologist, the researcher attempted find essence meaning from phenomenon experience experienced by the source information or informants who can trusted, awake its validity and reliability from what he said. Approach phenomenology transcendental chosen for applied in study this with consideration that researchers will try study something phenomenon by deep through procedure **epoche**, that is rule out experience and knowledge researcher for understand experience participant. Data analysis performed with highlight things important for understand phenomenon the object under study. Collected data originated from multiple sites in the form of yield Interview with informants in Sungai Bahar sub -district – Jambi, and in Kubu Raya – West Kalimantan, officers extension worker cooperatives, officials of the UMKM Cooperative Office, documents reports, and various relevant sites.

## **RESEARCH RESULTS**

Object research in the district Muaro Jambi: Honest KUD Lestari in Bukit Makmur Village. KUD Sari Makmur, Village Mekar Sari Makmur, and KUD Sumber Makmur, Village Prosperous Source. Everyone it is located in Sungai Bahar District, Mujaro Jambi. Prop. Jambi. Whereas object research in the district Kubu Raya – West Kalimantan as following: KUD Bangun Raya, KUD Karya Waja, KUD Bagas Sawit. The three KUDs recorded as an active KUD according to data at the District Cooperatives and SMEs Office Kubu Raya, West Kalimantan Province. Following outlined results study one one by one.

### **KUD in Sungai Bahar**

The existence of KUD in Sungai Bahar by quantitative has slump out of 11 KUD only 5 are active and that too no everything healthy. Researcher then ask what reason KUD setbacks so

that no can like first. Manager telling: .... At the moment it's the Bahar River still is area with feel rural area, not yet crowded now. If now already grow Becomes center activity economy to the Bahar River expanded Becomes three district. The people almost everything Trans migrant, live in atmosphere togetherness, including compact in set up cooperative and compact raise KUD. But moment this already change , Bahar River already Becomes center activity effort , become lively and interesting area for various field business , including the existence of participating capital owners attempted in TBS marketing . Get started one one by one KUD members who sell their FFB to **financier Korea** and after a long time it ran out , finally KUD didn't market FFB again . . . . . what is financier korean? .... financier Korea that is term Sungai Bahar community for TBS middleman with capital large who buy FFB online cash and even with more price high .

KUD Sumber Makmur first once reach triumph in 1997, however along when KUD experiences setback, walk slowly however certain until finally around in 2015's KUD did not market FFB again. . . . . KUD not like before protected government, assisted government in capital, given convenience for seek capital from outside. If seek capital from in KUD very limited currently sufficient market needs big. .... KUD managers are busy lend certificate soil hers for made bank collateral with all the risk if KUD doesn't can return loan certificate can is lost confiscated by the bank. But moment this certificate already can return everything.

Help protection from government permanent expected by KUD, such as first when there KUT credit and also marketing means production agriculture, fertilizer and medicine agriculture. KUD Sumber Makmur is successful develop effort marketing fertilizer not only for KUD members only even become a KUD distributor for the marketing area of Sungai Bahar and its surroundings . This thing can conducted blessing work hard and tenacious KUD administrator. But KUD hopes something moment can grow again become a big KUD of course just hope help government. When asked what motivation maintain the existing KUD moment this? Manager answer . . . . . Cooperative has given proof real that his existence not only for Fulfill needs and well- being member just but also development for the area. Previously KUD could participate for development in KUD working areas such as help facility education and even can build a mosque that we are proud of. With thereby the existence of KUD brings prosperity for the area and also for its members.

When the same story researcher ask the only KUD that is still endure in FFB marketing and care as well as fertilize it namely KUD Honest Lestari; researcher ask what tips to do KUD management up to can endure like now . KUD management explained as follows : ... this KUD a number of last year too almost disband caused by attack **Korea** but administrator always knock the hearts of KUD members for compact . Of course still there is a number of KUD members who do not compact but part big still compact. Attack Korea with large capital that can buy FFB with price better with payment cash that's very tempting for member. KUD does not can match financier Korea because limited capital, KUD only help market FFB to factory. If TBS has paid factory new can pay to KUD members. Difference time payment can one week even can more. KUD ever attempted borrow capital to the bank turned out treated same with other business entities, no there is the difference for cooperative.

Story the most severe KUD difficulties when you have to deal with party office tax. FFB marketing to factory always followed with name members and the number of TBS each member. Based on ways like that FFB sales no worn tax. But because error FFB recording by party's mills that record FFB sold on KUD name so amount a lot and worn tax. Tax that accumulated becomes a very large number and become debt for KUD to party office tax. Tax billed to KUD members do not capable paid, not borne by KUD able. Finally through various how to do Debt KUD administrator tax that now already paid off. In condition like this KUD feels abandoned by the government. With existence experience as above KUD hopes government give Support like ever enjoyed by KUD like KUT ( Farming Business Credit ) facilities, assistance capital , support development source power human (HR) so that KUD can the more big . It is hoped that the efforts made by the KUD will this don't disturbed by the other party. Party Korea must prohibited for disturbing the KUD.

When asked to what is the management of the Honest Lestari KUD? because government in Thing This is the Ministry of Cooperatives and SMEs give help like the first to give help credit , facilities for KUD in Fulfill needs fertilizer for member , why no there is training and so on , they no know . They only know if KUD has abandoned by the government, so course.

In skeleton development business to front so that grow Becomes big and many field effort it turns out that KUD answered that that already Becomes his dream but what limited human resources , unfinished technology mastered and not capable compete with other business entities . KUD yet capable manage risk effort by good and very necessary Support government in field this.

Condition different compared to KUD Sumber Makmur and KUD Honest Lestari, namely KUD Sari Makmur. This KUD was founded most recently that is 2013 while that's KUD Sumber Makmur founded in 1995 and KUD Honest Lestari in 1996. KUD Sari Makmur was established when the garden palm belong to members already reach peak production even in condition garden already lead to age old. Because of that garden palm member of KU Sari Makmur currently this currently in rejuvenation or replanting. During the process of establishing the KUD at the time that get help from company partner. KUD Sari Makmur achieved success when member could coordinated in FFB marketing and can serve all needs member for nurse garden palm member.

Since this KUD Sari Makmur stand up , we haven't once feel help from government like help capital , distribution fertilizer , medicine agriculture is also working capital credit as experienced by other KUDs that were established more early . Because of that if other KUD already have an office and a place effort itself, KUD Sari Makmur does not yet have one. Moment this currently build office and place effort, hopefully when garden member already harvest again we already ready.

Like Like other KUDs, KUD Sari Makmur experienced setback effort is also a result attack trader Korea is eating away at FFB yields garden member little by little and finally KUD declared lost compete in TBS marketing. .... opportunity moment this garden palm member currently in the process of rejuvenation , we as KUD management trying maximum for

rejuvenate garden this through various way , there is one through government area in form help grant rejuvenation garden , someone is going through party company , and some are through credit banking . We as KUD administrators only want to help for those who are committed for develop KUD for well-being our together especially KUD members. This thing signify existence effort KUD administrator for rise and be more forward in the future day. Even current KUD administrator this willing lend part building his house for made office KUD efforts.

### **KUD in Kubu Raya**

Village Unit Cooperatives in the District Kubu Raya when this more known as Cooperative Manufacturers referring to the Regulations Government Republic of Indonesia Number 7 of 2021 Regarding Convenience , Protection , Empowerment Cooperatives and Micro , Small and Medium Enterprises . Mention that if refers to the type the real work done by KUD not enough appropriate because KUD does multi- business in accordance the needs of its members, so that more KUD is rightly called as KSU or Cooperative All Business. But the KUD in the district The Kubu Raya of West Kalimantan Province is called as Cooperative Manufacturer.

Search team researcher look for the existence of the KUD that became object study this get obstacle. The first KUD to look for namely KUD Karya Waja , village Charcoal Limbung , Sungai Raya District , Regency Kingdom stronghold . After searched and team researcher no find his existence, finally team researcher continue search to the second KUD namely KUD Bangun Raya, Sungai Raya Village, Kec. Sungai Raya, District Kingdom stronghold. After conducted search also not found, finally team decide for continue to object study next namely KUD Bagas Sawit in the village Korek, Sungai Ambawang District, Kabupaten Kingdom stronghold. Failure find object study bring team researcher to the District Cooperatives and SMEs Office Kubu Raya which is located at Gang Amalia, Arang Limbung, Sungai Raya District, Regency Kubu Raya, West Kalimantan Province. At the office this obtained information that this KUD no clear its existence.

Search team researcher keep going done and finally can meet Bagas Sawit KUD administrator with a number of the administrators, namely: Riyo, Hendrik, and Yakobus as well as a number of device village. This KUD partner with company head existing oil palm in the area that with pattern plasma and nucleus partnership. According to Riyo the idea of establishing a KUD begins from Invitation Company. Party company then invite some people for form KUD and all necessary needs provided company. Name of KUD Bagas Sawit that alone administrator cooperative no know. Party KUD management requested gather photocopy proof ownership soil garden palm oil in the KUD working area for handed over to company as partner. After walking when the KUD was formed on Initiative Company that no there is the news, no there is act he continued. KUD management formed by Parties Company that no conducted inauguration and soon work with facility funding from company. Promise that no one realized until now and the administrators who were formed company feel lied to company, they feel get promises false sheer.

Based on story that that the idea of establishing a KUD was rejected built on desire member

for Fulfill his need in reach related well - being with ownership garden oil palm owned . But based on results group discussion with KUD administrators and devices existing village they feel that KUD built because interest party company for smoothness his efforts. That thing also seems to be strengthened results discussion moment conducted group discussion with extension worker Cooperative and Head Field MSME cooperatives and a number of existing employees. They feel no once invited discuss time to set up cooperative even no know how about KUD Bagas Sawit can get a legal entity cooperative.

The confidence of the KUD Bagas Sawit management moment formed, James ... ..Promises Company even has held deal Among KUD and other parties company through discussion villages and gatherings other. For patterned KUD administrator think as a villager that all those people honest, will comply the promises that have been given and not once deny promise . That thing in accordance with beliefs and customs prevailing in the village The match that became belief they until moment this. If already agreed will definitely be implemented deal that and not there is lie between who held agreement. The fact that the administrators feel cheated and not there is the continuation until now.

Researcher continue to village neighbor that is village New Linga just set up Cooperative Producer Coconut Palm oil and its permit in the submission process. New Cooperative established this is also partner with company coconut palm with plasma core pattern like case cooperative kind of other. Research team given opportunity for reduce about new co - op just formed. Discussion the is repeated several times until team researcher believe that formation cooperative no candidate 's initiative member for fight for interests and fight for desired well - being but cooperative formed by party other , in Thing this company , which will take advantage of existence cooperative that alone . This thing naturally a fact in the field that must get attention relevant stakeholder parties so that they can build prosperous cooperative members and the community around in general.

Discussion about phenomenon cooperative utilized a booming crude palm oil (CPO) company happened in the district Kubu Raya continues with party related especially the Department of Cooperatives and SMEs. This time discuss KUD according to address registered with the Ministry Cooperatives and SMEs do not far from District Cooperatives and UMKUM Offices Kubu Raya is KUD Bangun Raya, which is located at Jln . Adisucipto, Kec . Great River. Research team after attempted looking for the so much time no succeed found too. This KUD according to data held by the District Cooperatives and SMEs Office Kubu Raya since stand up until now not yet once do RAT (Meeting Member yearly) and stated as a mysterious KUD. Finding this interesting for made findings research to make ingredient supervision and caution in give permission to cooperative as a business entity.

Moment looking for a mysterious KUD mentioned above helped employee Extension Cooperative Regency Team stronghold researcher succeed find a KUD that has changed become a KSU Cooperative All Business Named: Jaya Baru Bersatu. Cooperative this truly exist existence, have clear office and have the place effort as well as completeness organization: administrators, supervisors, conduct RAT and carry out bookkeeping like a business entity business in general. This KSU new was established in 2013 so that not yet once enjoy facility

provided cooperative government like facility KUT credit for Farming Business Credit, grant assistance, or help facility other. Cooperative this permanent stand up because led a ABRI retirees who are firm and brave negotiate with party partner specifically company where KSU markets the FFB produced.

KSU administrator after invited discussion about the mysterious KUD phenomenon his existence he stated: ..... Existence cooperative especially KSU like the one we manage, almost no once get attention from government. We walk alone, with perfunctory management but could up growing. Establish cooperative that must started from desire members for up change the economy alone. If destination set up cooperative no because desire members and administrators so actually cooperative that already dead since stand. .... Interesting statement this because establishment of business entities and also cooperatives built no on desire alone could confirmed no have vision and mission where to cooperative will be brought .

When discussing how Cooperative KUD/KSU Jaya Bersatu with chairman Mr. M. Nawi can develop Becomes advanced business and can compete with business entities other , sir chairman said ..... Business will progress or on the contrary bankrupt depending on the perpetrator his efforts . Manager cooperative same with entrepreneurs who must active chase every money -making opportunities . Opportunity that coming once , don't wasted and had to being chased so that our win . Who needs that money no our Of course , everyone needs money . We have to work hard , looking for opportunity ..... if we yes of course related with TBS marketing . ..... Manager that must can weave relation broad and holding business promise ..... administrator must capable guard quality product us and not do cheat to who course . Very our found out no honest people will be remembered as liar . Statement this describe as a soulful manager entrepreneur true .

How if linked with situation moment this is known as an era of globalization , an era marked by with competition and technology . Manager say ..... moreover di era globalization , only product competitive quality that will be able to compete on the market . Ability take the market supported all- in- one technology advanced moment this must followed . Not can administrator cooperative shut up just wait results without effort . Not possible it . Statement this could concluded that cooperative must always notice market opportunities and must maintain existing market veruk have .

### **How KUD Develops Self ?**

In effort revitalize Cooperative including KUD post the issuance of Presidential Instruction Number 18 of 1998, which turned out to be has cause setback for KU. Efforts made government with Secrete Regulation of the State Minister for Cooperatives and Small and Medium Enterprises Republic of Indonesia Number 01/Per/ M.Kukm /I/2013 Regarding Guidelines Revitalization Cooperatives that haven't yet had time executed . Revitalization according to Candy this as Suite activities organized by stakeholders interest related for arrange institutional and strengthen effort cooperative . Then at the beginning of the leadership era President Joko Widodo issued Regulation of the Minister of Cooperatives and Small and Medium Enterprises Republic of Indonesia Number 25/Per/ M.Kukm / Ix /2015 Regarding

Revitalization Cooperative with destination revitalization is activate return cooperatives that do not active and developing cooperative active Becomes more cooperative big . So according to candy this is active is the cooperative alone whereas holder interest nature waiting for what is needed help .

Complete policy about cooperative with to complete Law Number 25 of 1992 concerning Cooperative with copyright law issued Work Number 11 of 2020 regarding Create Work specifically chapter 86 followed with Regulation Government Number 7 of 2021 concerning Convenience , Protection , and Empowerment Cooperatives and Micro , Small and Medium Enterprises . this law Beside make it easy in establishment cooperatives also provide protection effort for cooperative .

Things that are still often found Becomes obstacle for KUD in market FFB to company related with taxation as set in Minister of Finance Regulation Number 210/PMK.03/2008 in conjunction with Regulations Director General Tax Number PER-23/PJ.29 Purchase palm from farmer no worn tax . If from collector purchase not enough from 5M charged tax 0.25% 5 M or over 0.05%. regarding with the Law, Candy , and the above policies , how ? understanding KUD management and how KUD administrators take advantage of it . Following outlined results study one one by one :

### **1. Revitalization of KUD/KSU**

Based on results research in the field there is three KUD/KSU in the district Stronghold of all in condition dead . Dead KUD/KSU this according to Candy Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 including cooperative that can revitalized . Among the KUD/KSU studied There is a Bagas Sawit KUD whose management is still there is however they no know about ordinances establishment of KUD/KSU and not understand about cooperatives and existence requirements establishment cooperative enough for a minimum of 9 members course .

Riyo , Henedrik , and Jacob when notified about requirements stance and procedures establishment they drawn for utilise opportunity that with say ..... actually we are interested establish your own KSU , of course that need costs and requirements and methods . We haven't clear problem that ..... But our intention to help our community around this , for Fulfill our needs in gardening palm oil and also how let results garden that no being fooled company . Statement this naturally no only belonging to KSU Bagas Sawit just but also many others. For that government in Thing This is the Department of Cooperatives and MSMEs fast down hand .

Respond problem this when asked to the Department of Cooperatives and SMEs stated that ... for doing that of course need financing , while our budget is very limited .... What's more according to PP No. 7 of 2021 and the active Permen Kop and GENERAL No. 25 should be Public or the party who wants establish KSU. Later when we are active push KSU establishment is they no ready for look after cooperative yes vain course . From statement that seen unpreparedness from the Department of Cooperatives and SMEs for realize revitalization cooperatives so that more powerless .

Obstacles experienced by the District Cooperatives and SMEs Office The stronghold of West Kalimantan Province turns out to be It is also recognized by the District Cooperatives and SMEs Office Muaro Jambi Jambi Province . The Danas stated .... It's true what it says from West Kalimantan all if want to move need cost and that amount many if want to revitalizing KUD in Muaro Jambi. Our extension staff is limited only some people. But because that regulation from government basically we are ready if of course supported with financing . Related with motivation KUD management according to Yadi extension from Regency Muaro Jambi he state ... if motivation current administrator this is KUD dead that actually good but the problem existence attack from Korea that or from capital owner who can mess up .

For more make it easy Public in set up cooperative in skeleton the success of the revitalization program cooperative as set in PP No. 7 of 2021 which is regulated in article 2 Convenience , protection , and empowerment for Cooperatives and Micro , Small and Medium Enterprises as meant in paragraph (1) is done through : a. construction ; and b. gift facilities . Also in chapter 7 it is stated The Central Government and Local Governments carry out coaching and mentoring for group society that will form Cooperative . Policy this not yet understood by evenly distributed by stake holders so that not yet provide necessary financial support . This thing can understood because regulation this still new so that there is possibility not yet socialized with good .

## 2. Obstacle Business Development

There is two problem main no development different cooperative between two area namely in the district Muaro Jambi in Jambi Province and in Kabupaten Kubu Raya in West Kalimantan Province . Problem main reflux KUD business in the district Muaro Jambi especially caused by attack **korean** .

Appearance Korea this because slack protection government after the issuance of INPRES No. 18 of 1998 where the KUD was left by free for compete effort with businessman Korea that . Between the three KUDs that became object study this stay one still operate effort in accordance ambition moment established that is in oil palm FFB marketing and maintenance garden as effort main . While the other KUD is still life in condition not enough healthy with less income adequate , as well one more KUD in condition half live . Not healthy The two KUDs also started from lost compete in trying .

For resolve problem this There is a revitalization program government as set in Candy Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 which can help KUD. More Continued Coordinating Ministry Field Economy Republic of Indonesia **Airlangga** through Broadcast Pers Number Mm.4.6/193/ Set.M.Ekon .3/07/2021 dated 27 July 2021 regarding Modernization Cooperatives to be adaptive and empowered competitive . Airlangga explain that government in skeleton push recovery economy nation during a pandemic including for MSMEs so that they can Keep going continue his business as well as effort for push potency subtraction power work so government launched the National Economic Recovery Program (PEN). Through this program , the Government has provide a stimulus to Cooperative through the Revolving Fund Management Agency Cooperative and Micro , Small and Medium

Enterprises (LPDB). Help to farmer Palm oil is also rolled out by the Ministry Plant Food through KUD. In this program, the Government has provide a stimulus to Cooperative through the Revolving Fund Management Agency Cooperative as well as Micro, Small and Medium Enterprises taken from export funds coconut palm.

Protection program is also stated by it is clear in Law Number 11 of 2020 concerning Create Work Article 86 has improve Law No. 25 of 1992 concerning Cooperatives in Part Three, Protection Cooperatives, in Article 19 it is stated In skeleton gift protection to Cooperatives, Central Government and Local Government: a. set field activity the only economy can work on Cooperative; and b. set dishes and sectors business in an area that has succeed managed by the Cooperative for no operated by a business entity other. Protection and assistance programs government this should could used by KUD for strengthen effort them.

regarding with the above through discussion forums between KUD-KUD in Sungai Bahar, District Cooperatives and SMEs Office Muaro Jambi represented officer extension worker they declare ... the program still very new not yet once socialized good to officer extension worker nor to KUD. If that program truly could realized of course we are very grateful love. We KUD are very grateful love because can avoid from attack businessman korean who has turn us off. We will soon propose that business FFB marketing only managed by KUD only. Statement this indicates that Among policy government center and actor effort field namely KUD and officers field not yet understand existence rule it.

Likewise in help funding through the LPDB KUD program stated: ..... if Correct the existence of funds through the LPDB of course we will soon make use of. With less tone believe they stating ... it's a conditioning program heart just ... we pray hopefully something moment realized. Officer the instructor also stated that .... That program still new so not yet there is socialization, hopefully the program can revive the KUD that was almost dead this. In fact, one of the KUD in Sungai Bahar namely KUD Sumber Makmur already follow enjoy although not yet whole member could assisted. But for get help that KUD especially manager who must active look for sources possible funding obtained.

## DISCUSSION

Based on results research that has been displayed before, done discussion as following:

### 1. KUD Business Behavior Impact Presidential Instruction No. 18/98

Issued Impress Number 18 of 1998 About Enhancement Coaching And Development Cooperatives that revoke facility Support government for cooperative has Becomes blow heavy for cooperative. Consequence from policy revocation Support that has cause KUD to roll up mat. This thing in line with results study Beber, Theuvsan and Otter (2018), and Hariyoga (2009) that existence Cooperatives in many countries depend on the government. Cooperatives that don't supported government Becomes bankrupt besides that bad management effort, and less can afford utilise technology new. Research results this different with Suratno, Denmark, and Narmaditya (2021) who mention that the plantation KUD business unit coconut palm difficult rivaled other companies because KUD success in shape network business. Condition

this occur if members are solid, compact, and the KUD management works oriented service to member. Compact and loyal member in use KUD as a instrument in reach well-being member. Becomes key main KUD success in maintain his efforts. The success of the KUD in partnership with company it turns out rated profitable for company so that give his help to KUD. This thing in line with results study Hendrani, S. (2018) that KUD plantations coconut palm oil in the Riau area can endure because many get help from company coconut palm like help truck for transport results coconut palm oil, help procurement fertilizers, and facilities other.

Condition of KUD/KSU in Regency Kubu Raya, West Kalimantan Province. Cooperative no develop no because impact from presence Inpres Number 18 of 1998 but already disabled since born. KUD/KSU was born no will from KUD/KSU members but made by the company that will partner with cooperative. This thing because existence provision that company processing results plantation including palm must partner effort small one among them with cooperative. partner with cooperative no just for fulfill one requirements for get permission operational company but also at the same time fulfillment permission company about fulfillment guarantee ingredient raw for company. Regulation Licensing plantation that already there is long ago repaired several times. About permission plantation coconut palm oil, the procedure could found in the Regulation of the Minister of Agriculture Number 98/PERMENTAN/OT.140/9/2013 Year 2013. For company processing results palm Required enclose statement willingness for To do partnership as supplier ingredient Fresh Fruit Bunches (FFB) raw materials Cooperative / Group Farmers / Planters with applicant (if requested land not yet sufficient capacity factory coconut palm). Partnership the in accordance with provision Regulation Government Number 44 of 1997 concerning Partnership in Article 3 In plasma core pattern, Large and or Medium Enterprises as the core of fostering and developing Small Businesses that become the plasma in: a. preparation and preparation land; b. provision means production; c. gift guidance technical management business and production; d. acquisition, mastery and improvement required technology; e. financing; and f. gift help other required for enhancement efficiency and productivity effort.

For Fulfill provision the company interested with KUD/KSU for Fulfill requirements partnership company with nucleus – plasma pattern. However because cooperative not yet there is in the area operation company push company for initiate establishment of KUD/KSU in the desired area. Cost establishment cooperative by company no Becomes burden company because based on existing regulations, fees that can charged as cost operation companies that can subtract profit company. Consequence from establishment non-cooperative because the initiative of its members and not the administrators, then cooperative no taken care of as should be.

Lindbloom, J. (2014) argues that the management strategy cooperatives in order to last long and be able to realize destination formation cooperatives will be able realized if the administrators and members commitment to cooperative he founded. What again for resolve global pressure with management highly competitive businesses in the global market need applied in principles effort cooperative? More carry on Collins and Porras (1994) and Patricia

and Irwin (2011) state that formation successful cooperative if initiated by its members. With thereby member understand to desired goals so loyal to established cooperative.

## 2. Development of KUD

As impact from policy government for let cooperative including KUD and KSU trying alone without gift facilities , protection and support financing as enjoyed before issued Presidential Instruction 18/1998 then many collapsing cooperative . The number of KUDs that are still active operate Becomes difficult found . Realize Thing In 2013 issued the Regulation of the Minister of Cooperatives and SMEs Number 1/PER/ M.KUKM /I/2013 concerning guidelines revitalization later cooperative remove and replace with Regulation of the Minister of Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 about revitalization cooperative . Spirit from Ministerial Regulation No. 25 of 2015 want awaken and empower cooperative that was built on initiative from member alone , no because built from above , not because desire government or else. revitalization program cooperative this not yet can walk as should be . This thing Beside initiative from candidate member very low cooperative , knowledge and understanding about cooperative is also low so that no know what do you aspire to? cooperative . Employee extension worker Cooperatives in the Cooperatives and MSMEs Office in the Regency are also not yet understand with good because not yet there is socialization for them . Support funding as mandated in Law Number 11 concerning Create Work on article 86 (9) government must provide Support sufficient funding .

Not growing yet cooperative toughness Beside because ongoing revitalization slow also based on study Gunadi , W (2018) come to a conclusion that low ability management very weak cooperative Thing this relate with quality of human resources owned . This thing Becomes reason main not yet can afford cooperative develop self . On the other hand, cooperative moment this in situation global economy , KUD is facing challenge for survive and compete with institution finance others ( Main, et al . 2020 ). Condition this push establishment cooperative no could conducted use old ways with method pushed from above , but now establishment cooperative must built based on desire they alone . Hey this in line with Lindbloom (2014) via the research found that challenge Cooperative increasing burden heavy consequence from change complex and dynamic environment .

## CONCLUSIONS

Based on results research and discussion conveyed before, finally served conclusion study as following:

1. Consequence from revocation Support good facility nor Support previous funding enjoyed by KUD by the government through publishing Inpres 18 years old 1998 About Enhancement Coaching And Development Cooperative specifically Instruction to three that pull out Instruction President Number 4 of 1984 concerning Coaching and Development Village Unit Cooperative declared no applies , then a lot of KUD/KSU rolled up mat .

2. in line with policy about moving company in processing results plantation including coconut delicious palm partner with Cooperatives and SMEs, then establishment cooperative especially KUD / KSU a lot initiated company . This thing as one condition for get permission moving company in the field processing results plantation . As a result cooperatives in the district Kubu Raya because cooperative no built on desire members and administrators , then cooperative then dead before growing .
3. Revitalization KUD/KSU cooperatives issued in skeleton help strengthening cooperative including KUD / KSU not yet many known by the administrator . as a result KUD/KSU cooperative yet utilise convenience and assistance funding as arranged both in Law No. 11 of 2019 concerning Create Work nor Regulation Government Republic Indonesia No 7 of 2021 About Convenience , Protection , and Empowerment Cooperatives and Micro , Small and Medium Enterprises .
4. Regulation taxation many feared by KUD/KSU management because in implementation not yet uniform , imposition tax income on sale palm has set special by Kemertian finance through Minister of Finance Regulation Number 210/PMK.03/2008 in conjunction with Regulations Director General Tax Number PER-23/PJ.29 Purchase palm from farmer no worn tax . It turns out Thing this not yet understood by all executor or interested officers . as a result there is officer wearing tax PPh on results palm oil for sale through KUD on page this should no happen .

## SUGGESTION

Custom with conclusion like presented above, proposed results suggestions study as following:

### 1. For Re - Growing Cooperatives

The existence of BUM Des is as if become a rival to the current cooperative this currently revitalized through Candy Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 concerning revitalization cooperatives, as well as Law No Create Work specifically Article 86 as well as final through Regulation Government Number 7 of 2021 About Convenience, Protection, and Empowerment Cooperatives and Micro, Small and Medium Enterprises. The two programs as if be a rival between both. As a result Ministry Cooperatives and SMEs work themselves and the Ministry regarding development village, development area rural areas, and empowerment Public Village develop effort alone through BUM Dec.

Because the two programs , namely BUM Des by the Ministry of Villages and Revitalization Cooperatives by the Ministry of Cooperatives and SMEs both must You're welcome develop so should need explanation to Public especially KUD/KSU for permanent attempted build economy for members through the current KUD/KSU this has get attention government again . Thus BUM Des which is a program of the Ministry of Villages should focus on the core business of BUM Dec. Business core or core business between KUD/KSU Cooperatives and BUM Des should share clear land so as not to each other compete and weaken effort. Because of that Mertian Cooperatives and SMEs should discuss Thing this with Ministry Village to be created clarity effort.

## 2. Revitalization KUD/KSU Cooperative

For Restore Palm Oil KUD/KSU need conducted revitalization as arranged in through Candy Cooperatives and SMEs Number 25/Per/ M.Kukm / Ix /2015 concerning revitalization cooperative as realization from implementation of Law Number 11 concerning Create Work specifically Article 86 as well as final through Regulation Government Number 7 of 2021 About Convenience, Protection, and Empowerment Cooperatives and Micro, Small and Medium Enterprises. For support effort this as form partiality government to cooperative to be able rise again and grow more strong , then must supported parties related especially the Department of Cooperatives and SMEs, City/ Regency governments good in help funding nor side -by- side policy to cooperative.

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