



Strengthening the BUM Des Giri Artha Unit Business to Support Tourism in Sidemen Village, Karangasem, Bali

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Abstract— Sidemen Village in Karangasem Regency, has had a Village-Owned Enterprise (BUMDes) named BUMDes Giri Artha since 2012 and it created 3 Business Units, namely: Savings and Loans Unit, Drinking Water Unit in Guminten Hamlet, Rice Tractor Services Business Unit in Sidemen Village. In 2013 the business units in starting has been able to provide support to the Original Village Income (PADes) of Sidemen Village. The problem that arises in because Drinking Water Unit not making profit and Agricultural Tractor Services Unit caused large loss so it no longer operate starting in 2022. Through this research, we want to provide a solution regarding the problem of the sub-optimal income of BUM Des Giri Artha, Sidemen Village until July 2023. The research method is a qualitative which carried out by collecting data, literature study, focus group discussion FGD, conclusions and recommendations. The aim of establishing BUMDes Giri Artha is to improve the financial capacity of the village government and increase community income through various economic business activities, which are then adapted to the needs and potential of Sidemen Village. The results of the FGD are then linked to existing regulations. The first decision was to revitalize the Drinking Water Business Unit by increasing the business scope, especially as a supplier of bottled drinking water. Another effort is to register BUMDes Giri Artha with the Ministry of Law and Human Rights. These two efforts will be followed up by collaborating with the owners or managers of tourism accommodation in the Sidemen Village area.

Keywords— *BUM Des Giri Artha, Business Units, Strengthening BUMDes Institutions, Village Revenue*

I. INTRODUCTION

At the beginning of its emergence, Village-Owned Enterprises (BUM Des) were indeed a great hope for the Village to develop and make various efforts to increase village income [1]. As part of the commitment to develop villages through BUM Des, the government then provides BUM Des capital participation through Village Funds which are given to villages every year [2]b. Based on data available at BUM Des.kemendes.go.id as of March 2023, there are only 12,945 BUM Des that have officially incorporated legal entities. Meanwhile, around 35,000 more BUM Des are still in the registration stage. Thus, there are still around 42 percent of villages that do not yet have a BUM Des. A more important concern to study and analyze is the existence of villages that already have BUM Des. In line with the need to respond to economic and social challenges, BUM Des exists with a strong intention to improve the welfare and competitiveness of the village economy.

The initial regulations regarding BUM Des are based on Law Number 6 of 2014 concerning Villages and Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 4 of 2015 concerning the Establishment, Management and Management, as well as the Dissolution of Village-Owned Enterprises [3]. These two regulations state in detail several objectives for establishing BUM Des, namely: Improving the village economy; Optimizing village assets to provide maximum benefits for the welfare of village communities; Encouraging the community to actively try and manage the village's economic potential; Building business collaboration between villages or with third parties; Building market opportunities and networks that support public services for citizens; Create jobs; Improving community welfare by improving public services, equitable village economy, and economic growth; and Increasing village community income and village original income [4]. Based on these objectives, it can be said that the existence of BUM Des was formed to support the local economy, reduce dependence on certain economic sectors, and encourage active community participation in decision making and village economic business operations. BUM Des can function as a tool for planning and implementing various economic initiatives based on the potential and needs of the village community. This must of course be supported by active participation from village communities in decision making and operations of BUM Des. This institution is not only related to business units but can be an important element that accommodates the aspirations and interests of the village community as a whole [5].

The Covid-19 incident has indeed disrupted the operational existence of BUM Des in Bali Province which relies on the tourism sector for its economy. After Covid-19, Bali tourism is slowly but surely starting to return to normal. This includes the economic development of villages in Bali Province. It is hoped that the existence of BUM Des in each village in Bali Province will be able to become the creator and executor of the economy in their region. Currently there are hundreds of BUM Des in Bali Province which tend to have the same business units, namely savings and loan business units which can actually conflict with other financial institutions in the Village, such as Cooperatives owned by Hamlets and Village Credit Institutions (LPD) which sheltered by the Traditional Village.

Sidemen Village, which has formed BUM Des starting in 2012, has made efforts to improve the economy in Sidemen Village. The formation of BUM Des was even carried out before the formal regulations regarding BUM Des were established. The formation of BUM Des Giri Artha is an answer to the needs and part of the realization of the aspirations of the people of Sidemen Village. At the beginning of the formation of BUM Des Giri Artha, Sidemen Village received initial capital participation from Sidemen Village amounting to IDR 800,000,000 (eight hundred million rupiah) and had three business units, namely the Savings and Loans Business Unit, Drinking Water Business Unit and Machinery Services Business Unit. Farm Tractor. The formation of business units at BUM Des Giri Artha is tailored to the potential of Sidemen Village. Each business unit in BUM Des does have a projected profit, but what was highlighted at the beginning of the formation of BUM Des was the spirit of togetherness and family. In relation to the governance of the BUM Des Giri Artha business unit, it is determined by the BUM Des Work Plan which is made every year.

Based on the provisions of Article 17 of the Articles of Association and Bylaws of BUM Des Giri Artha, it is stated that the income from BUM Des, known as Remaining Business Proceeds, will be allocated 20% to support the Original Income of Sidemen Village. Starting from 2013 to 2023, BUM Des Giri Artha makes direct contributions to Sidemen Village except during the Covid-19 period. This 20% contribution is indeed appropriate and can be felt by the people of Sidemen Village. However, if you look at the amount given each month, it is still stagnant or has not grown significantly. For this reason, a study was carried out regarding all the potential and projections that could be made to increase the income of each business unit of BUM Des Giri Artha.

II. METHOD

Research methods are a scientific way to obtain data with specific purposes and uses [6]. This research uses qualitative research methods to make it easier for researchers to analyze the problems in this research. This research is called qualitative research, because it processes data using descriptive analysis based on the provisions of applicable laws and regulations. (Sugiyono, 2018. Quantitative, Qualitative and R&D Research Methods. Bandung: Alfabeta. p. 8). This research was carried out by collecting data, literature study, focus group discussions, drawing conclusions and recommendations. Primary data in this research was obtained from the results of unstructured interviews from June to August 2023 with related parties, especially the Sidemen Village Perbekel and the Chairman of BUM Des Giri Artha and his staff. The data analysis used in this research is an interactive analysis technique with 3 stages, namely: data reduction, data presentation, and concluding. The results of the interview show the problems currently being faced by BUM Des Giri Artha. The data analysis used in this research is an interactive analysis technique with 3 stages, namely: data reduction, data presentation, and concluding [7].

III. RESULT AND DISCUSSION

According to Article 1 Number 1 of Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises (BUM Des) states that: Village-Owned Enterprises, hereinafter referred to as BUM Des, are legal entities established by villages and/or together with villages to manage businesses, utilize assets, develop investment and productivity, provide services, and/or provide other types of business for the greatest welfare of the Village community. The formation of BUM Des must be carried out by all villages in order to realize the objectives of the formation of BUM Des. The formation of BUM Des is not a guarantee that villages can develop from an economic aspect, but is one way of carrying out economic management based on the potential of each village. The implementation of the Law on Villages requires all villages in Indonesia to have a BUM Des [8].

The Bali Provincial Government, in responding to the mandate of the Village Law, always directs villages in Bali to immediately form BUM Des. The existence of BUM Des is expected to be able to act as a driver of the rural economy to provide welfare for rural communities with justice. Communal values which are a reflection of the Pancasila economic system are put forward in the governance and benefits of the existence of BUM Des in each village in Bali Province. However, the existence of BUM Des does not necessarily provide a solution for villages to become independent. In fact, the existence of BUM Des in most parts of Bali is still not able to develop as it should. The existence of BUM Des in Bali in 2019 was dominated by existing businesses and clashed with cooperatives, Village Credit Institutions. Most of the businesses carried out by BUM Des in Bali are savings and loan businesses [9].

Sidemen Village, located in Karangasem Regency, Bali Province, Indonesia, is an enchanting destination with a harmonious combination of natural beauty, rich culture and deep traditions. Nestled majestically at the foot of the majestic Mount Agung, the highest peak on the Island of the Gods is a focal point for travelers seeking authentic experiences and peace away from the hustle and bustle of the city. The natural panorama of Sidemen Village is stunning with terraced rice fields which are a manifestation of local wisdom in managing land and water stretching in harmony and calm flowing rivers with lush mountain forests complementing the natural beauty of this village creating a calming and soothing atmosphere. However, Sidemen Village is not known only for its natural beauty. This village is also an important milestone in maintaining unique Balinese culture and traditions. The majority of the people of Sidemen Village work as farmers.

The existence of potential and special characteristics possessed by Sidemen Village provides space for the village to develop, including forming BUM Des. In 2012, Sidemen Village formed the Giri Artha Village-Owned Enterprise, Sidemen Village, based on Sidemen Village Regulation Number 09 of 2012 concerning the Formation of Sidemen Village-Owned Enterprises (BUM Des). The aim of establishing BUM Des Giri Artha is to improve the financial capacity of the village government in administering government and increase community income through various economic business activities in rural communities, which are then adapted to the needs and potential of Sidemen Village. The formation of BUM Des can be said to be in line with the provisions of Article 371 paragraph (1) of Law Number 23 of 2014, which states "In district/city regional governments a Village government is formed which consists of the Village government and the Village deliberative body". The village is a self-governing community that uses the principle of subsidiarity. Most of this authority originally existed in society, was not given [10]. Village government in Indonesia is very firmly regulated in the provisions of the Law on Villages and its derivative regulations. The village development pattern is directed to be integrated and integrated, starting from the development of human resources, education, economics, culture and other aspects [11].

At the beginning of its formation, BUM Des Giri Artha obtained initial capital of IDR 800,000,000 (eight hundred million rupiah) and capital assets of IDR 200,000,000 (two hundred million rupiah). There are three business units owned by BUM Des, namely: Savings and Loans Unit, Drinking Water Unit in Guminten Hamlet, Rice Tractor Services Business Unit in Sidemen Village. Development of the Savings and Loans Financial Services Business Development of the Savings and Loans Financial Services Business of BUM Des Giri Artha Sidemen Village as follows: Founded in October 2012 with initial capital of IDR. 754,000,000,- (Seven Hundred and Fifty Four Million Rupiah), until 2020 the income is IDR. 215,534,234,-, (Two Hundred and Fifteen Million Five Hundred and Thirty Four Thousand Two Three Four Rupiah), and a net profit of IDR. 80,104,903,- (Eighty Million One Hundred Four Thousand Nine Zero Three Rupiah). Development of the Drinking Water Business Development of the Drinking Water Business in BUM Des Giri Artha Village, Sidemen Village, as follows: Established in October 2012, with a total investment of IDR. 200,000,000,- (Two Hundred Million Rupiah), up to 2020, the net profit obtained is IDR. 4,632,240,- (Four Million Six Hundred Thirty Two Thousand Two Four Zero Rupiah). Development of Tractor Rental Services Business Development of BUM Tractor Rental Services Business in Giri Artha Village, Sidemen Village, as follows: Operating since October 2012 with total assets of IDR. 46,000,000,- (Forty-Six Million Rupiah), up to 2020 the net profit obtained was IDR. 6,552,840,- (Six Million Five Hundred Fifty Two Thousand Eight Four Zero Rupiah). However, during the Covid-19 pandemic until 2021, the existence of this business tends not to develop. In fact, according to an interview conducted in June 2023 with BUM Treasurer Des Giri Artha I Gusti Ayu Oka, stated that: "The business unit that is developing and has quite large profits is the savings and loan business unit. Meanwhile, other business units are still very small and it is difficult to make a profit. Even in early 2022, BUM Des Giri Artha was forced to close the Tractor Rental Services business unit, Tractor Rental Services Business Development because it continued to experience losses. "This closure has been approved by the BUM Des supervisor and is known to the BUM Des Advisor."

BUM Des Giri Artha Sidemen Village has contributed to increasing the village's original income. This is in line with the provisions of Article 89 of Law Number 6 of 2014 concerning Villages in conjunction with the provisions of the Articles of Association and Bylaws of BUM Des Giri Artha, article 17 states that the income from BUM Des, known as Remaining Business Results, will be allocated 20% to support income. Originally from Sidemen Village. This provision is then implemented every year by BUM Des Giri Artha starting in 2013. According to the 2022 BUM Des Giri financial report data, in 2023 20% or Rp. 28,000,000 (twenty eight million rupiah) Net Income from BUM Des Giri Artha for Original Village Income which is then allocated by the village as income and social funds as well as empowerment of the Sidemen Village community. This is in line with the explanatory provisions of article 72 paragraph (1) which states that "original Village income" is income originating from Village authority based on the village's original rights and local scale authority. What is meant by business results, includes the results of BUM Dec. Article 87 of Law Number 6 of 2014 states: "(1) Villages can establish Village-Owned Enterprises called BUM Des. (2) BUM Des is managed in a spirit of kinship and mutual cooperation. (3) Village BUM can carry out business in the economic sector and/or public services in accordance with the provisions of statutory regulations.

In 2023, the Sidemen Village Government plans to increase and optimize income from the BUM Des Business Unit by taking advantage of tourism developments in Sidemen Village. The development of tourism in Sidemen Village is strongly supported by the natural factors that exist in the village. Sidemen Village has been designated as a Tourism Village starting in 2018 based on the Decree of the Regent of Karangasem Number 562/HK/2018 concerning the Implementation of the Nawa Satya Karangasem Tourism Village Pilot Project The Spirit of Bali. Tebola Hamlet in Sidemen Village was used as one of the pilot projects in developing a tourist village in Sidemen. In fact, in 2023 there will be 70 (seventy) units of villas/tourist cottages/homestays built in

the hamlet. It turns out that the existence of tourism activities in Sidemen Village has not been able to be utilized as a potential in developing business units at BUM Des Giri Artha.

Based on the results of an unstructured interview with Perbekel Sidemen: I Komang Putra in July 2023, he stated that: "So far, the existence of BUM Des Giri Artha has only relied on the savings and loans business. The village encourages BUM Des to immediately find the right formulation for developing business units. Of course, this is also based on the aspirations of the people of Sidemen Village for the development of the village economy. The increase in BUM Des income will of course be in line with the welfare of the village community. The existence of tourism accommodation in Sidemen Village cannot yet be utilized by BUM Des. In fact, the construction of villas, home stays, tourist cottages, restaurants and other accommodation always requires approval from the Village. "However, so far the village has only been a spectator and has not received direct economic benefits, especially for BUM Des."

Following up on this problem, several Focus Group Discussions were held with the Village Government, BUM Des and other stakeholders to find the right formulation to solve this problem. The results of the FGD are then linked to applicable regulations or legal payments. The first decision made was to revitalize the Drinking Water Business Unit in Guminten Hamlet by increasing the business scope, especially as a supplier of bottled drinking water in tourism accommodation in Sidemen Village. Another effort is to register BUM Des Giri Artha with the Ministry of Law and Human Rights so that it can legally carry out the Sidemen Village bottled drinking water business. These two efforts will be followed up by exploring cooperation with the owners or managers of tourism accommodation in the Sidemen Village area. The existence of Sidemen Village, especially Guminten Hamlet, which has great potential in the drinking water sector, must be utilized to increase village income. Efforts to utilize tourism development in Sidemen Village will be carried out on an ongoing basis by not only focusing on the drinking water business unit but also the tourism unit with dance performances which will also be carried out by establishing legal relations or collaboration with tourism actors in Sidemen Village. As a village that maintains cultural preservation, Sidemen Village can make the Genjek Dance Performance a characteristic of Karangasem. Of course, this is necessary so that it is not the same as the Kecak dance and other dances that have developed in Uluwatu, South Kuta or in the Ubud Tourism Area.

In line with the results of the FGD that had been carried out, through an unstructured interview with the Chair of BUM Des Giri Artha I Gusti Lanang Mataram in August 2023, he stated that: "BUM Des will take several concrete steps to realize the results of the FGD that has been carried out several times in the Village. Of course, BUM Des will take the first step to legitimize BUM Des as a legal entity. Then BUM Des will conduct studies and tests on the suitability of springs in Guminten Hamlet to be used as bottled drinking water which will be sold to Tourism Accommodation in Sidemen Village. This includes coordinating with related agencies in the Karangasem Regency Government. "The next stage is to collaborate with industry to increase BUM Des' income from other sources/business units."

This model of strengthening the BUM Des business unit is worthy of being developed to facilitate many interests, so that the existence and development of tourism in Sidemen Village can also be utilized by BUM Des Giri Artha. Efforts to increase income from the BUM Des business unit must be carried out by establishing regulations at the village level, including setting out the BUMDes work plan for 2023 and subsequent years. With this increase in business scope, it is hoped that the existence of BUM Des will be able to answer the challenges as a village economic body which is a legal entity formed and owned by the Village Government, managed economically independently and professionally, with the aim of gaining profits to strengthen Village Original Income, advance the village economy, and improve the welfare of village communities [12].

IV. CONCLUSION

The existence of BUM Des Giri Artha Sidemen Village is expected to be able to support the village's original income, which is in line with the provisions of Article 89 of Law Number 6 of 2014 concerning Jo Villages. The provisions of the Articles of Association and Bylaws of BUM Des Giri Artha article 17 state that the income from BUM Des, known as Remaining Business Proceeds, will be allocated 20% to support the Original Income of Sidemen Village. This provision is then implemented every year by BUM Des Giri Artha starting in 2013. According to the 2022 BUM Des Giri financial report data, in 2023 20% or Rp. 28,000,000 (twenty eight million rupiah) Net Income from BUM Des Giri Artha for Original Village Income which is then allocated by the village as income and social funds as well as empowerment of the Sidemen Village community. In 2023, the Sidemen Village Government plans to increase and optimize income from the BUM Des Business Unit by taking advantage of tourism developments in Sidemen Village. The development of tourism in Sidemen Village is strongly supported by the natural factors that exist in the village. Sidemen Village has been designated as a Tourism Village starting in 2018 based on the Decree of the Regent of Karangasem Number 562/HK/2018 concerning the Implementation of the Nawa Satya Karangasem Tourism Village Pilot Project The Spirit of Bali. Tebola Hamlet in Sidemen Village was used as one of the pilot projects in developing a tourist village in Sidemen. In fact, in 2023 there will be 70 (seventy) units of villas/tourist cottages/homestays built in the hamlet. It turns out that the existence of tourism activities in Sidemen Village has not been able to be utilized as a potential in developing business units at BUM Des Giri Artha. For this reason, several Focus Group Discussions were carried out to find the right formulation for this matter. The results of the FGD are then linked to existing regulations. The first decision made was to revitalize the Drinking Water Business Unit in Guminten Hamlet by increasing the business scope, especially as a supplier of bottled drinking water in tourism accommodation in Sidemen Village. Another effort is to register BUM Des Giri Artha with the Ministry of Law and Human Rights.

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