
Village Economic Development Through Strengthening the Legality of BUMDES in Dringu Village, Probolinggo Regency

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Abstract

Efforts to improve the national economy will be achieved through economic success at the regional level, supported by economic activities at the smallest regional level, namely the village, which also has a direct impact on community welfare. Community service activities are carried out in the Dringu Village area, Dringu District, Probolinggo Regency. The research was conducted using a qualitative analysis method with a descriptive approach, where the focus of this research is efforts that can be made to enforce the legality of Village-Owned Enterprises so that the original income of Dringu village increases. Village-Owned Enterprises (BUMDes) are one of the economic institutions that were built based on community initiative and adhere to the principle of independence and aim to develop rural areas which can be achieved through community empowerment with the aim of increasing the productivity and diversity of existing businesses. In principle, the legal basis for establishing BUMDes is in Article 87 paragraph (1) of the Village Law, Article 132 paragraph (1) of Village Government Regulations and Article 4 of Permendesa PDIT No. 4 of 2015 concerning the Establishment, Management and Dissolution of BUMDes. Therefore, as an effort to implement the laws and regulations mentioned above, the UPN "Veteran" Jawa Timur Service Team organized and carried out community service activities regarding "Socialization and Assistance for the Legality Documents for the Establishment of BUMDES in Dringu Village, Dringu District, Probolinggo Regency in order to improve the welfare of the community in Dringu Village.

Keywords: Legality, BUMDes, Village Economy

INTRODUCTION

Development of community welfare can be pursued by empowering and making the community independent in the sustainability of their economic life. This is done by building the power and energy of the community through motivation to raise public awareness of their potential and trying to develop their potential, especially in the economic sector. Development essentially aims to build independence, including development in every sector and region, including rural development. One of the roles of the government is to develop rural areas which can be achieved through community empowerment to increase the productivity and diversity of rural businesses, the availability of facilities and facilities to support the achievement of prosperity through the rural economy, building and strengthening institutions that support production and marketing chains, and optimizing resources. as the basis for rural economic growth. This aims to provide opportunities for regions and rural areas to demonstrate regional and national economic capabilities.

Efforts to improve the national economy will be achieved through economic success at the regional level. Economic improvement at the regional level will be achieved if these regions

have an active economic activity. Economic improvement in a region can be achieved by being supported by economic activities at the smallest regional level, namely the village, which also directly impacts the welfare of the community. Development through rural areas is one way to eradicate poverty in Indonesia.

Dringu Village is a village located on the Pantura route, Probolinggo Regency. This village has potential in the fields of agriculture, fisheries and tourism. The village with a majority population of fishermen and farmers is actively encouraging the progress and economic independence of Dringu Village. In the agricultural sector, in Dringu Village itself there are harvests of shallots and corn. The red onion harvest itself is processed into fried onion packaging products and sold directly to onion sellers at the onion market, then the corn is directly sold back to traders and corn processors. Meanwhile, in the fisheries sector there are marine products, namely catches of marine animals such as various kinds of fish, shrimp and squid and other marine catches. These results are not processed first, but are sold directly to sellers of fish and other sea catches.

The agricultural sector has become one of the sectors that supports the economy in Probolinggo Regency. The development of agricultural conditions in Probolinggo Regency can be seen based on the area of agricultural land, crops planted and superior commodities in Probolinggo Regency. The area of agricultural land can be divided into paddy and non-paddy agricultural land and non-agricultural land, so that in traditional markets the main commodity is the Bawangan Market. Probolinggo Regency is one of the provinces on the island of Java that has the potential to develop shallots. Shallot production in Probolinggo Regency is one of the second centers of shallot development in East Java after Nganjuk Regency. Nearly 3.7% of the total national shallot production is contributed by Probolinggo and is one of the regional export suppliers.

In the management of the Bawangan Market which is built and managed by the Government, Regional Government, Village Government, Private, State Enterprises and Regional Owned Enterprises, including collaboration with the private sector with business premises in the form of shops, kiosks, booths and tents owned or managed by small traders, medium, non-governmental organizations or cooperatives with small scale businesses, small capital and with the process of buying and selling merchandise through bargaining. So that marketing channels must be efficient in reaching the hands of consumers and marketing is carried out at the Bawangan Market, Probolinggo Regency at the largest special marketing center for shallots which is located on Jalan Raya Dringu in Dringu District. Therefore, the village government needs to realize that Dringu Village has strong potential which can be developed into a source of village income if it can be managed in collaboration with local residents.

In developing economic potential in their area, the Village Government can establish BUMDes which are built with a spirit of kinship and mutual cooperation as regulated in Article 87 of Law Number 6 of 2014 concerning Villages. BUMDes is an important element in the village government system which is capable of driving the economy of village communities and strengthening it. Therefore, in its establishment, the village must adhere to local needs and the potential of the village. Not only local wisdom must guide the establishment and management of BUMDes, village communities must be involved in its management. So, in the end, the community's sense of ownership of BUMDes will be high and become one of the factors for the development of BUMDes in the region.

The presence of BUMDes in several regions in Indonesia is able to strengthen and realize the concept of community-based economic development. Of course, in its implementation,

BUMDes management must prioritize the principles of cooperation, participation, equal rights, openness, accountability and sustainability. However, in reality, BUMDes Dringu has not yet been formed due to limited human resources. Most of the people in Dringu Village also do not understand the role of BUMDes so that they can benefit the people in Dringu Village. So far, the public's understanding of BUMDes is only about the structure that exists within the village government. Meanwhile, in Dringu Village there is a lot of economic and tourism potential that can be explored and developed. However, the village government's lack of understanding about this requires the role and assistance of universities. Even though this village has a lot of tourism and economic potential that can be developed so that it can become income managed by BUMDes in order to increase the income of the Dringu Village Community, this is because most residents can be involved and get a direct economic impact. Limited human resources and expertise in managing BUMDes to be able to plan and identify the potential to be packaged into a source of BUMDes income by implementing the idea of Community Based Economy.

In increasing village original income, BUMDes management requires efforts that can boost BUMDes profits, especially in looking at problems, weaknesses and potential that can be developed. Efforts that can be made are by designing the formation of BUMDes properly as a guideline in carrying out its activities so that a business entity can achieve the goals set for shared prosperity. One of them can be started by establishing legality in the formation of BUMDes, namely village regulations regarding the establishment of BUMDes and socializing the procedures for establishing BUMDes through third parties, namely through universities.

The purpose of this writing is to find out the efforts that can be made by the village government to increase the village's original income through the existence of BUMDes and through community service activities carried out by the UPN "Veteran" East Java academic community to carry out socialization on the preparation of supporting legal documents for strengthening and Draft Legal Documents Supporting BUMDes . The hope is that this study can improve the performance of BUMDes so that it has implications for improving the quality of life of the people of Dringu Village.

RESEARCH METHODS

The research was conducted in the Dringu Village area, Dringu District, Probolinggo Regency. The research was carried out using a qualitative analysis method with a descriptive approach, where the focus of this research is efforts that can be made to establish the legality of Village-Owned Enterprises so that the original income of Dringu village increases.

Qualitative research is a research method for examining an object naturally which relies on the researcher as a key instrument in obtaining meaning. The data was obtained through data collection techniques by conducting interviews and documentation as well as direct observations or observations where the researcher went to the research location, namely Dringu Village.

RESULTS AND DISCUSSION

Village-Owned Enterprises (BUMDes) as one of the economic institutions built based on community initiative and adhere to the principle of independence and aim to develop rural areas which can be achieved through community empowerment with the aim of increasing the productivity and diversity of existing businesses, providing facilities and facilities for supporting the improvement of the village economy, building and strengthening economic production and marketing chains, and optimizing human resources as the basis for village economic growth. In managing and running Village-Owned Enterprises, many parties, from the village government and local communities, do not understand the goals and principles of BUMDes themselves, resulting in BUMDes not running optimally.

So the target of this community service activity is the entire village government, including the village head, village secretary and village officials, BPD and organizations in the village such as Karang Taruna and Village Youth. In community service activities which focus on establishing BUMDes with service implementers using material presentation techniques, then continued with discussions on creating legal products as the legal status of BUMDes which will include their duties and functions in particular so that they can be utilized as well as possible for the welfare of the Village community. Apart from that, to further increase public knowledge regarding BUMDes, the service implementation team has provided a draft legality for the formation of BUMDes and a draft Village Regulation concerning the Establishment of BUMDes as a legal basis.

In principle, the legal basis for establishing BUMDes is in Article 87 paragraph (1) of the Village Law, Article 132 paragraph (1) of the Village Government Regulation and Article 4 of Permendesa PDPTT No. 4/2015 concerning the Establishment, Management and Management, and Dissolution of BUMDes. The phrase "can establish a Village BUM" in the laws and regulations regarding Villages shows recognition and respect for Village initiatives in the economic business movement.

Based on the laws and regulations concerning Villages, it also produces procedures for establishing BUMDes. This stance can be based on:

1. Village Government and/or community initiatives;
2. Village economic business potential;
3. Natural resources in the Village;
4. Human resources capable of managing BUMDes; And
5. Capital participation from the Village Government in the form of financing and Village assets handed over to be managed as part of the Village BUM business.

Village initiatives also require juridical legitimacy in the form of regional head regulations regarding the List of Authorities Based on Origin Rights and Village-Scale Local Authorities. The regent's regulations include the formulation of articles (normative) regarding:

1. The establishment and management of BUMDes is included in the provisions regarding Village-Scale Local Authority in the field of local Village economic development;
2. Determination of BUMDes into the provisions regarding Village-Scale Local Authority in the field of Village government;

Through Article 7 of the Probolinggo Regency Regent's Regulation Number 41 of 2018, it has mandated the formation and management of BUMDes which must be in sync with the contents of the Village RPJM, Village RKP and Village APB which also includes Village BUMs in planning the implementation of Village development.

The procedures and technicalities in establishing Village BUMs require steps in forming BUMDes in a participatory manner with the aim that the agenda for establishing BUMDes truly involves the wishes of the community in realizing increased Village economic

efforts and Village democratization. Based on Article 9 of Permendesa No. 3/2015 concerning Village Assistance, assistance from third parties, namely universities, is a form of village government collaboration so that village communities and village institutions understand what BUMDes are about, the purpose of establishing BUMDes, the benefits of establishing Village BUMs and so on. The following is a flowchart of the procedures for establishing a BUMDes:

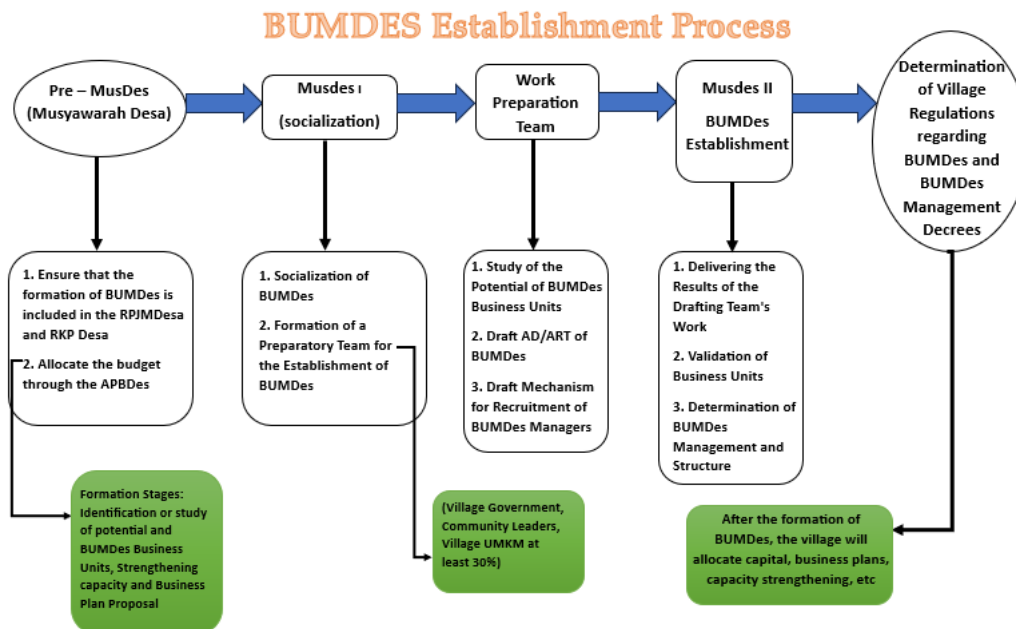


Figure 1: Flow chart for the formation of BUMDes

Source : Regulation of the Mayor of Probolinggo Number 38 in 2016

When a survey was carried out on Dringu Village officials, it was agreed that in resolving the existing problems in Dringu Village to overcome the obstacles and challenges faced in establishing BUMDes in Dringu Village which still does not have legality and lack of understanding from both the surrounding community and the village government regarding governance. BUMDes. Therefore, in accordance with the provisions of applicable laws and regulations, the task of universities as third parties in this case is to provide guidance in the formation and legal assistance for the legality of establishing BUMDes in Dringu Village.

In adapting local wisdom and the potential that exists in the village, it can become a guideline for the preparation and formation of BUMDes and also invite the community to be involved in managing BUMDes. In the series of planning assistance for the establishment of BUMDes Legality, the Service Team has carried out several activities to assist the establishment of BUMDes through: Implementing Socialization on the Establishment of BUMDes Legality, Preparing Draft Village Regulations regarding the Establishment of BUMDes, Preparing Draft Standard Operational Procedures for BUMDes. In addition, the next two stages are registering the BUMDes name and uploading the required documents for establishing BUMDes in Dringu Village. These activities can then be continued through Village Deliberations to obtain approval from the community in order to fulfill the principle of community participation as a form of openness and transparency in planning assistance for the establishment of BUMDes Legality based on applicable laws and regulations. This planning is needed in order to know the objectives of each stage of service activities, the desired output

targets, target completion times, and the division of tasks between service members and partners.

Service activities regarding "Socialization and Assistance with Legality Documents for the Establishment of BUMDES in Dringu Village, District. Dringu, Kab. Probolinggo" in order to improve the welfare of the community in Dringu Village was held on Friday 17 November 2023 involving all team members. In this activity, socializing to the public is important in terms of regulating the establishment of BUMDes in terms of legal regulations, several things need to be socialized. The results of the socialization that has been carried out contain lessons learned from BUMDes and internal-external conditions in village socialization which can help as recommendations for implementing village meetings that schedule the establishment or formation of BUMDes.

Furthermore, in the results of the socialization implementation, the service team also provided recommendations in the form of a legality draft in the form of a Companion to the Deed of Establishment of BUMDES and the attached Draft Village Regulations which can be used as a guideline in carrying out further activities to establish BUMDes. The internal stages that have been socialized can also be carried out by the village government in establishing BUMDes based on Article 5 of Village Ministerial Regulation Number 4 of 2015 which explains the process of establishing BUMDes which reads "The establishment of Village BUM as intended in Article 4 is agreed upon through the Village Deliberation, as stated in regulated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration concerning Guidelines for Rules and Decision Making Mechanisms for Village Deliberations." The Village Deliberation referred to in this article discusses several matters related to the process of establishing a village. The core of the discussion is the establishment of BUMDes in accordance with the economic and socio-cultural conditions of the community, the BUMDes management organization, the business capital of Village BUMs, and the BUMDes Articles of Association and Bylaws. Then, next there is the stage of establishing Village Regulations regarding the Establishment of Village BUMs with attachments to the AD/ART as an inseparable part, including the composition of the names of administrators who have been selected at the Village Deliberation as the basis for the Village Head in preparing the Village Head's decision letter regarding the Management Composition of BUMDes.

CONCLUSION

Dringu Village is a village located on the Pantura route, Probolinggo Regency. This village has potential in the fields of agriculture, fisheries and tourism. The village with a majority population of fishermen and farmers is actively encouraging the progress and economic independence of Dringu Village. Village-Owned Enterprises (BUMDes) as one of the economic institutions built based on community initiative and adhere to the principle of independence and aim to develop rural areas which can be achieved through community empowerment with the aim of increasing the productivity and diversity of existing businesses, providing facilities and facilities for supporting the improvement of the village economy, building and strengthening economic production and marketing chains, and optimizing human resources as the basis for village economic growth. In managing and running Village-Owned Enterprises, many parties, from the village government and local communities, do not understand the goals and principles of BUMDes themselves, resulting in BUMDes not running optimally.

Therefore, as an effort to implement the laws and regulations mentioned above, UPN "Veteran" Jawa Timur Service Team organized and carried out community service activities regarding "Socialization and Assistance for Legality Documents for the Establishment of BUMDES in Dringu Village, District. Dringu, Kab. Probolinggo" in order to improve the welfare of the community in Dringu Village was held on Friday 17 November 2023 involving all team members. In this activity, socializing to the public is important in terms of regulating the establishment of BUMDes in terms of legal regulations, several things need to be socialized. The results of the socialization that has been carried out contain lessons learned from BUMDes and internal-external conditions in village socialization which can help as recommendations for implementing village meetings that schedule the establishment/formation of BUMDes.

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