Potential Business Utilization of Liwungan Island Pandeglang Regency in Increasing Regional Original Revenue (PAD)

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Abstract
The Liwungan Island is located in Citeureup Village, Panimbang, Pandeglang Regency, and the east of Tanjung Lesung beach which is part of the special economic zone. The island has a special attraction for tourists so it can be used as a potential business by the government and the local community. The aim of this research is to identify the potential business utilization for Liwungan Island of Pandeglang Regency and whether the business utilization can increase the Regional Original Revenue (PAD) of Pandeglang Regency. This research used a simplified scenario planning approach and uses the SWOT (strength, weakness, opportunity, treatment) analysis method to comprehensively observe various aspects that might affect the scenario to be formulated. The potential business discovered in this study in increasing PAD is the main business in the form of tourist needs and the provision of places and services for tourists, and the form of cooperation and utilization by the government and the community.

Keywords: potential, business, liwungan island, pad

Introduction
Liwungan Island is an island with a land area of about 49 hectares. This uninhabited island is located in Citeureup Village, Panimbang Sub-district, Pandeglang Regency, and is east of Tanjung Lesung beach which is part of the special economic zone.
This island is a potential tourist destination because it has a very beautiful attraction such as white sand, sloping beaches, clean sea water, beautiful forests, various types of animals and not far from the main island (Java).

The existence of Liwungan Island makes the tourism potential in Pandeglang Regency glimpsed by the community and the government. Tourism itself appears to be a long-term prospect that is always intensified by various places for personal gain, the use of tourism can also be utilized by developing countries and developed countries. In this case, the potential of tourism is increasing day by day, because the development of tourism is supported by various research and focus given by researchers and developers. In addition, the attractiveness of tourism is also related to the interests and tendencies of the community (Arif et al., n.d.).

In tourism activities, there are several parties that have a role and are directly involved in tourism activities, including the government, the private sector and the community (Asih Wismaningtyas et al., n.d.). In this case, the government and the community have a role in utilizing the tourism potential in the area, one of which is Liwungan Island. The potential utilization of Liwungan Island tourism can be said to be the utilization of regionally owned barracks, which is stated in Permendagri Number 19 of 2016 concerning Guidelines for the Management of Regional Property. The utilization can be in the form of Rent, Borrowing, Utilization Cooperation (KSP), Build to Serve (BGS) or Build Serah Guna (BSG), and Infrastructure Provision Cooperation (KSPI).

In 2022, the Regional Government of Pandeglang Regency will maximize the development of the potential of Liwungan Island by building partnerships and mutually beneficial cooperation. As quoted from the official website of Pandeglang Regency Government, the Regional Original Revenue in 2022 is 308.5 billion with a Regional Revenue Budget of 2.61 trillion. Of the 308.5 billion, the largest revenue is from the BLUD (Regional Public Service Agency) sector, while revenue from the utilization of BMD and rental of regional assets in 2022 is only 5.3 billion. The potential and realization of Regional Original Revenue of Pandeglang Regency from 2018 to 2021 can be seen in the table below.

**Table 1. Table of Potential and Realization of PAD of Pandeglang Regency 2018-2021**

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<tbody>
<tr>
<td>PAD</td>
<td>197.000 M</td>
<td>229.06 M</td>
<td>218.03 M</td>
<td>226.97 M</td>
<td>189.01 M</td>
<td>196.045 M</td>
<td></td>
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<tr>
<td>Local Tax</td>
<td>47.007 M</td>
<td>49.012 M</td>
<td>54.07 M</td>
<td>50.854 M</td>
<td>37.022 M</td>
<td>53.689 M</td>
<td>52.000 M</td>
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</table>
From table 1.1 above, it can be explained that the plan or potential for local revenue is greater in value than the realization or report. This picture explains the target achievement that is not maximized. On the other hand, PAD of Pandeglang Regency is still low where the lowest element is the result of the management of regional assets, which includes the management of regional assets, namely the existence of islands that have not been utilized. Other PAD elements, namely taxes and levies, are still low compared to other district/city PADs in Banten Province. Seeing the low revenue structure, other legitimat e efforts are needed that can be done by the local government. One of the wealth owned by Pandeglang is the natural mountains, beaches and islands that can be utilized as a tourist destination to increase regional income through utilization cooperation. The study of business potential and utilization of Liwungan Island can find decision options and economic potential that are mutually beneficial for both the local government of Pandeglang Regency and the community and business actors. With this step, it is expected to be able to boost regional income through fixed contributions and profits.

David Osborne & Ted Gaebber (1994) stated that efforts to transform the entrepreneurial spirit, because in a period where public resources are increasingly scarce. The government must change from the bureaucratic model to the entrepreneurial model. An entrepreneurial government is a government that is able to present citizen-oriented policies. The policy has strategic value, because it will generate dividends in the form of support from citizens. One of the aggressive methods used by entrepreneurial-oriented governments is to generate profits through development, in government terms the profit referred to is local revenue. The government must change from the bureaucratic model to the entrepreneurial model by innovating innovations that can contribute to revenue, not just spending.

In general, there are two business models for land utilization cooperation for commercial/business purposes through build-operate-transfer (BOT) and other similar schemes. First, the concept of joint venture. In this concept, the landlord is treated as one of the investors who invests the land into a business entity that will cultivate the land. The land owned is considered as the capital or investment value of the landowner. The relationship between the landowner and the business entity that will cultivate the land is a direct ownership relationship. Second, the concept of leasing. Unlike the capital joint venture concept, in the leasing concept, the landowner is not part of the business entity that will cultivate the land. The relationship between the landowner and the business entity is not direct. The landowner is only related to the owner of the business entity in its position as the party leasing the land (lessor) and the lessee (lessee).

Based on Permendagri Number 19 of 2016 concerning Guidelines for the Management of Regional Property, it is possible to cooperate with third parties through Utilization Cooperation (KSP). Utilization Cooperation (KSP) is a form of utilization of State Property that is expected to become the backbone for state revenue sources from
asset management. This is because KSP can be run with a full business or commercial approach. The business approach in the utilization of BMN is an effort made to maximize the potential of assets in generating income. The business approach to cooperation in the utilization of State Property is carried out with consideration of mutual benefit.

The consideration of mutual benefit is realized in the form of determining the profit sharing scheme agreed by both parties. A fair profit sharing scheme agreed by each party is a prerequisite that must be met so that the cooperation carried out can run well. In current business practices, there are various forms of profit-sharing schemes. The most common form is the profit-sharing scheme in the form of joint venture. For business actors, joint venture is an effective way to develop and improve business (Paulin, 2021). In this scheme, the profit sharing of profits obtained from a business is based on the proportion of risk and workload of the parties. Apart from joint ventures, a much older profit-sharing scheme is carried out in the form of agricultural land management cooperation between landowners and cultivators. In this scheme, profit sharing is based on a pre-agreed proportion of the harvest. Based on this research, the researcher will elaborate on the forms of cooperation and profit-sharing schemes used and compare them with the current profit-sharing scheme in asset utilization cooperation. Understanding the profit-sharing schemes of various forms of business cooperation is expected to provide a broader view of the profit-sharing scheme that should be applied to cooperation in the utilization of state property.

In general, forms of business cooperation can be distinguished according to the underlying principles and objects of cooperation. Business cooperation can be carried out based on the company principle and the exploitation principle. The object of business cooperation based on the corporate principle is in the form of a business entity that carries out business activities. Meanwhile, the object of business cooperation based on the principle of exploitation is in the form of assets or interests that are cultivated. Business cooperation on a business entity is conducted based on the relationship between business owners. The business owners are bound in an ownership relationship or joint venture based on capital contribution and responsibility for the business entity. Investment liabilities and responsibilities for business activities are shared based on the agreement of the parties. Proceeds from business activities are shared according to capital contributions and responsibilities. Meanwhile, business cooperation on the exploitation of an asset (asset partnership) is carried out based on the relationship between the owner of the asset or interest (principal) and the party that exploits the asset (agent). In principle, the party who cultivates the asset carries out a business activity for the benefit of the asset owner. The results of the business activities are the rights of the asset owner. The asset owner, based on the agreement of both parties, gives a portion of the business results to the party who is trying the asset as compensation for the efforts made.

Regional revenue is all regional revenue in the form of an increase in assets or a decrease in debt from various sources in the relevant fiscal year period (Halim, 2008). Local revenue is one of the sources of regional revenue that has an important role in development. Regional development can be carried out when there is revenue or proceeds from taxes paid by the state, this certainly affects regional development (Juliati, 2018). In addition, the implementation of regional development is directed at increasing
equitable development in order to increase the optimal utilization of its potential (Pundissing, 2020). Local own-source revenue is the backbone of regional financing, therefore the ability to carry out the economy is measured by the amount of contribution made by local own-source revenue to the APBD, the greater the contribution that local own-source revenue can make to the APBD, the smaller the dependence of local governments on local governments' assistance.

Local own-source revenues are only one component of the state's financial revenue sources in addition to other revenues in the form of balancing funds, regional loans and other legitimate revenues as well as the rest of the previous year's budget can be added as a source of funding for government administration in the regions. The whole part of the revenue is annually reflected in the regional revenue and expenditure budget. Although local revenue is not entirely able to finance the APBD, as said by Santoso (1995: 20) that the proportion of PAD to total revenue is still an indication of the finances of a local government (Syahrial & Sotuyo, 2014). Local governments are expected to be able to explore financial resources optimally, but of course within the applicable legislation, especially to meet the financing needs of government and development in their regions through local own-source revenues. The demand for increasing local revenue is getting bigger along with the increasing number of government authorities delegated to the regions themselves. According to Law Number 23 of 2014 Article 1 concerning Regional Original Revenue (PAD) is revenue obtained by regions that are levied based on local regulations in accordance with statutory regulations.

Based on the explanation above, the focus of this research is to find out how the potential business utilization for Liwungan Island of Pandeglang Regency and whether the business utilization can increase the Regional Original Revenue (PAD) of Pandeglang Regency. Utilization of Liwungan Island has the intent and purpose of contributing to the Pandeglang Regency Government's plan to utilize the island to increase regional income with a rental model, or cooperation. The research on Liwungan Island Utilization is intended as a consideration and basic data for calculating the value of fixed contribution and KSP profit sharing that can be used as a reference by the Pandeglang Regency Government in formulating policies that will ultimately have an impact on increasing regional income.

**Methods**

This research utilizes a simplified scenario planning approach. Scenario planning is widely recognized as an effective strategic planning tool for medium- and long-term planning under conditions of uncertainty. Scenario planning can help to sharpen strategies, plan for the expected, and keep caution in the right direction and on the right issues (Lindgren & Bandhold, 2009). Scenario planning was simplified through the simplification of study outputs based on three market growth assumptions, namely: (1) low growth scenario, (2) medium growth scenario, and (3) high growth scenario. The scenario planning stages carried out in this study include tracking data and information, analyzing data and information, identifying scenarios, deciding on selected scenarios, and acting in the form of setting goals and follow-up steps.
In order to track data and information, we used the SWOT analysis method (Hunger & Wheelen, 2017) including strength, weakness, opportunity, treatment in order to comprehensively look at various aspects that might affect the scenarios to be formulated. At the stage of identification and decision-making regarding the scenarios to be determined, this study uses the focus group discussion (FGD) method involving members of the study team plus resource persons from the university who are considered to have qualified knowledge and science related to this business planning.

Result and Discussion

Liwungan Island is close to Tanjung Lesung, half an hour by boat from the beach along Citeureup Village. The island has a fairly large and beautiful forest, underwater nature that is still preserved. Most of it is overgrown with large, shady trees that absorb water. The island is home to a variety of flora and fauna. Because it is not an inhabited island, Liwungan has a beautiful landscape. Various wildlife such as deer and monkeys live in the forest. The results of observations in the Liwungan forest grove contained a variety of plant species, namely ketapang, banyan, coconut trees, kiara, weru, renggas, butun, nyamplung and Chinese petai.

This variety of trees can be a tourist attraction on Liwungan Island, a tourist attraction according to Marpaung (2001) in Bayu (2011) is a formation of related activities and facilities, which can attract tourists or visitors to come to a particular area or place.

The white sand area that stretches in the south of the island or in the northeast of Tanjung Lesung beach looks interesting to play sand. This location is adjacent to the pier and snorkeling area. In another part, in the north of the island, there are irregular coastal conditions. A stretch of broken coral reefs stretches along the beach. The underwater beauty for snorkeling on the north side of Liwungan Island is still quite well preserved, the coral reefs of this marine area have a fairly rich expanse. These coral reefs are the habitat of small, colorful tropical fish, colorful small tropical fish. Marine life such as starfish and shellfish can also be found here.

As befits a hotel and tourism business, income is derived from the development of the main business (main business) derived from cottage rental, a series related to cottage rental needed by tourists is food and beverage services, the next stage of the business process is the preparation of laundry. Cottage facilities and infrastructure do not have to be enjoyed by cottage guests only, but can be enjoyed by visitors who only "stop by", so that the cottages can provide facilities owned for them to enjoy. In addition to restaurants, there are also swimming pools, rental rooms or buildings such as meeting rooms,
gazebos, convention halls. Even if it is possible, a jetty can also be prepared for small boats / ships. All of these preparations are of course subject to affordable tariffs for visitors. This source of income is enough to make a significant contribution.

Natural conditions that allow tourists to carry out a variety of tourism activities are a distinct advantage of Liwungan Island compared to other sea/beach tourism destinations, an exotic and attractive view is another advantage of Liwungan Island. Unlike other tourist spots, "island" tourism has a special interest, because to get to the island tourists must travel by boat, for many tourists this is a very interesting challenge. Some illustrations of the advantages of building cottages on this island are:

a. Diverse attractions can add many tourist activities. Among them are: clean white beaches can be used for sunbathing or playing for children, the sloping sea can be used for swimming, the clean sea around the island allows tourists to do snorkeling or fishing. This is the main advantage of this island, which is not owned by other tourist attractions.

b. Liwungan Island tourist attraction is located in a growing business area, Cilegon area 50 km, the population of Banten which amounts to approximately 13 million people and DKI Jakarta with a population of approximately 10 million people is a large enough market share.

c. Liwungan Island is in the Tanjung Lesung area which already has various infrastructures such as toll roads, even though the distance is 170 km which can be traveled in 3-4 hours, but with these facilities the travel time can be accelerated to 2-3 hours.

d. By being in the tourist area, visitors can visit other attractions with Liwungan Island as the center point. Ujung Kulon National Park 56 km, Batu Hideung beach attraction 16.8 km and Umang Island 55.7 km.

Discussions

Based on the study and SWOT analysis, the Strengths and Opportunities aspects have more dominance to be considered, while in terms of Weaknesses and Threats can be resolved with several solutions, while only the natural disaster factor is difficult to handle, the efforts that can be made are to minimize the risk if it does occur by education, meanwhile, the establishment of new facilities has little positive impact on visitors because there is not the slightest remnant of the 2018 tsunami impact.

The Form of Utilization and Potential Regional Revenue

The form of utilization or partnership between the government and the private sector is generally known as public private partnership (PPP). According to the Asian Development Bank (Public-Private Partnership Monitor - Indonesia, December 2020), PPP is "a contractual arrangement between public (national, state, provincial, or local) and private entities through which the skills, assets, and/or financial resources of each of the public and private sectors are allocated in a complementary manner, thereby sharing the risks and rewards, to seek to provide optimal service delivery and good value to citizens." A cooperative contractual arrangement between a public (national, provincial, or local) and a private entity where the two complement each other in terms of skills,
assets, and financial resources so as to provide optimal benefits for the benefit of citizens. Cooperation between the government and the private sector can be done in several ways, such as: service contracts, management contracts, lease contracts, concessions, Build Operation Transfer, Joint Venture Agreements, and others. Each of these forms of cooperation represents several advantages and disadvantages.

The service contract scheme is a collaboration between the government and private parties to carry out certain tasks for a relatively short period of time, for example, one to five years. The private party is the owner of the assets and is fully responsible for the financial risks. This process requires less political commitment, cost recovery, regulation, and basic information. For example, garbage collection and disposal, aka the person in charge of cleanliness in the destination area, maintenance of tourism facilities and infrastructure, all of which can be partnered with the private sector. The management contract scheme is not much different from the service contract. The difference is that cooperation is carried out at the level of operational management and maintenance with a term of several years, for example. The position of the private party is as an asset owner, investor, and is responsible for financial risks within minimal limits. Usually technically, in the selection process, there is only one competition and no renewal of the agreement. The advantage of management contracts is the stronger involvement of the private sector. However, the disadvantage is that the government does not have strong overall supervision (covering finances, employee policies, etc.). Examples are not much different from service contracts such as the management of public facilities in the tourism sector such as parking lots, destination ticket management, or maintenance and management of public toilets.

A lease contract scheme where the capital owner is the public sector (government) but the private sector also bears the financial risk (medium risk). The downside is that it creates potential conflicts between the private sector as the operator and the public sector (government) as the capital owner. Examples include the management of amusement parks, airports, bus fleets, and so on. There is also a concession scheme. This scheme is a cooperation involving the government/public and the private sector as the capital owner for a period of 20 to 30 years.

The private sector is responsible for operations, capital, maintenance, and bears the full risk. The advantage is that the private sector gets full compensation. On the other hand, the public sector/government benefits from increased operational and commercial efficiency in investment and human resource development. However, to develop investments and infrastructure over a long period of time requires high political commitment, regulation, government capacity, recovery costs, and capability analysis. Therefore, all relevant authorities must often sit together to create a strong commitment.

Meanwhile, if we refer to the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 19 of 2016 Article 81 concerning Forms of Utilization of Regional Property, this form of cooperation includes: Lease, borrowing and use, KSP (Utilization Cooperation), BGS (Bangun Guna Serah), BSG (Bangun Serah Guna) and KSPI (Infrastructure Provision Cooperation). In this study, the utilization of regional property does not include the Borrowing and Use Cooperation and KSPI as alternative
forms of cooperation due to differences in the object of study, so this study is limited to three forms of utilization, namely Lease, KSP and BGS / BSG.

Utilization Cooperation (KSP)

The utilization cooperation in this study can be projected for 25 years, with an option to extend for another 10 years. In terms of revenue, cooperation in utilization (KSP) provides two sources of income for the regional treasury, namely Fixed Contribution and profit sharing, the amount of which is calculated by a team and determined by the Regent.

1. Fixed Contribution.
The determination of the fixed contribution can be calculated by formula and can increase every year by taking into account the specified aspects. For example, the inflation rate. The formula for calculating the fixed contribution is as follows:

   a. The fair value of the KSP object in this study is estimated at Rp 23,294,880,000. This figure is obtained based on the NJOP in 2022 according to the data from BPN Pandeglang which is Rp. 48,000 per M2 meter. Assuming that the fair price is 3 times the NJOP, then for 161770 m2 of cooperated land, the projected fair value is Rp. 23,294,880,000.

   b. The recommended fixed contribution percentage is 5% of the fair price of the KSP object.

   c. The amount of fixed contribution is recommended to increase by at least 4% per year to adjust to the annual inflation rate.

   Based on the above assumptions, the amount of fixed contribution recommended in this study is Rp. 1,164,744,000 in the first year (5% of the fair value of Rp. 23,294,880,000) and then increases by 4% per year until the end of the contract period.

2. Profit Sharing.
The profit sharing between KSP partner and local government of Pandeglang Regency is proposed to be 80:20, considering that local government has received fixed contribution paid since the first year of contract. Based on the projection of project revenue and expenses, it is known that this project will be able to get profit in the fourth year which is Rp. 859,089,222, so that the local government will get profit sharing of Rp. 171,817,844 (20% of Rp. 859,089,222).

   The amount of profit sharing obtained by Pandeglang Local Government will continue to grow or increase to Rp. 357,464,193 in year five, Rp. 1,783,585,209 in year ten, Rp. 2,171,531,076 in year fifteen, Rp. 3,170,858,303 in year twenty, and Rp. 3,570,523,249 in year twenty-five of KSP.

Potential Local Tax Revenue

In addition to direct revenue from utilization cooperation fee or operation cooperation with third party, Pandeglang Local Government also has the potential to get exposure in the form of local tax amounting to between Rp3,102,076,006 to
Conclusion
The conclusions that can be concluded from the above discussion regarding the potential utilization of businesses on Liwungan Island, Pandeglang Regency in increasing local revenue are as follows:

1. The main business of Liwungan Island is cottage rental, the series related to cottage rental needed by tourists are food and beverage services, the next stage of the business process is the preparation of laundry. Cottage facilities and infrastructure do not have to be enjoyed by cottage guests alone, but can be enjoyed by visitors who only "stop by", so that the cottages can provide facilities owned for them to enjoy. In addition to restaurants, there are also swimming pools, rental rooms or buildings such as meeting rooms, gazebos, convention halls. Even if it is possible, a jetty can also be prepared for small boats/ships.

2. Based on the SWOT study and analysis, the Strengths and Opportunities aspects have more dominance to be considered, while in terms of Weaknesses and Threats can be resolved with several solutions, while only the natural disaster factor is difficult to handle, the efforts that can be made are to minimize the risk if it does occur by education.

3. The KSP and BGS/BSG forms of cooperation are more feasible both from the view of investors and from the view of the Regional Government. In terms of revenue, utilization cooperation (KSP) provides two sources of regional treasury income, namely Fixed Contributions and profit sharing, the amount of which can be calculated and determined by the Regent.

4. Pandeglang Local Government also has the potential to get exposure in the form of local tax amounting to between Rp3,102,076,006 to Rp4,251,117,132 per 10 years or amounting to between Rp310,207,600 to Rp425,111,713 per year.

References


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