

CHAPTER IV

CONCLUSION AND RECOMMENDATION

A. Conclusion

Based on the results of research on Public-Private Partnership for Trowono Traditional Market Revitalization, it can be concluded as follows:

1. Project Selection in Revitalizing the Trowono Traditional Market

a. Project identification process in Trowono Traditional Market

The identification process has been carried out by the government (solicited), namely the Department of Industry and Trade of Gunungkidul Regency with the CV. Seia Cons as a Planning Consultant. This identification process intends to find problems from the conditions of the Trowono Traditional Market which are considered to be the basis for the project plan. Many problems were found such as inadequate market buildings, slum market conditions, smells, chaos, and lack of supporting facilities and infrastructure for traders and buyers. Therefore, the Department of Industry and Trade of Gunungkidul Regency concluded that the Trowono Traditional Market needed the revitalization program for all parts of the market.

b. Project prioritization in Trowono Traditional Market

It is important to give priority to the Trowono Traditional Market revitalization project, where this market has big implications for the community and traders. Among the huge potential of this market is the strategic market location which is

borders to “*Jalun Jalan Lintas Selatan*” (JJLS) Yogyakarta, the market with minimal facilities and infrastructure but it has the largest traders and buyers in the southern part of Gunungkidul Regency, and the type-c market which is the focus of government revitalization program by the Department of Industry and Trade in Gunungkidul Regency.

2. Public Consultation in Revitalizing the Trowono Traditional Market

a. Government consultation with community and traders of the Trowono Traditional Market

The Department of Industry and Trade of Gunungkidul Regency has conducted consultation with the community and traders in the form of socialization. The purpose of this socialization was to provide information about the Trowono Traditional Market revitalization project. This socialization is also carried out by the Project Board of Director with the approval of the Commitment Making Officer (PPK) before the implementation of market construction begins. It was evidenced by the dissemination of activities to traders and communities around the Trowono Traditional Market during the revitalization project. Approval of the revitalization project was responded positively by the community and traders, and the government delivered a temporary transfer to the emergency market at the Trowono Animal Market and the surrounding community land to trade.

b. Government consultation with Prospective Partners

The process of government consultation with prospective partners from business entities was carried out by the government. The Trowono Traditional

Market Project was initiated by the government (solicited). Therefore, in the project planning such as the preparation of the Master Plan, Detail Engineering Design (DED), and the plan of financial were all carried out by the CV. Seia Cons and he Supervisor Consultant by CV. Jana Consultant for supervising the revitalization project.

3. Feasibility Study in Revitalizing the Trowono Traditional Market

a. Legal validity document for the release of a land of the Trowono Traditional Market

The feasibility study for the legal validity of the release of the land document for the Trowono Traditional Market revitalization project has been carried out by the CV. Seia Cons as a Planning Consultant as an independent partner who analyzes the project implications. This project does not have bad implications for the revitalization project. Therefore, the revitalization project related to the legal validity of the release of the land document is clear. The legal validity of the release of the land has been owned by the Regional Government of Gunungkidul Regency managed by the Regional Finance and Asset Agency (BKAD) of Gunungkidul Regency.

b. Financial basis design in preparation of the Trowono Traditional Market revitalization project

The CV. Seia Cons as a Planning Consultant has designed the financial basis for the Trowono Traditional Market revitalization project, where the budget comes from APBN in the year 2016 through Special Allocation Fund of the Ministry of

Trade of the Republic of Indonesia for construction of market buildings. In addition, the design of the articles of association also came from APBD of Gunungkidul Regency in the year 2017 as a fund to support the revitalization of the Trowono Traditional Market.

c. Environment Impact Assessment (EIA) document and social analysis in the project of Trowono Traditional Market

The Environmental Impact Assessment and social analysis documents have been provided by the CV. Seia Cons as a Planning Consultant, this environmental and social impact assessment process was carried out, where the results of the environmental feasibility assessment report for this project are in accordance with the project procurement standards for revitalization and this as a reference in the design of the Trowono Traditional Market revitalization project. Furthermore, the social impact for this project also does not have bad implications, where the presence of this market supports the creation of a community economy.

4. Risk Review in Revitalizing the Trowono Traditional Market

a. Risk review to legal validity document for the release of a land of the Trowono Traditional Market

Generally, a risk review for the legal validity of the release of the land in revitalizing the Trowono Traditional Market which is a legal land was clearly managed by the Gunungkidul Government Regency through the Financial and Asset Agency of Gunungkidul Regency. Furthermore, there is only 1 plot of land in the middle of the Trowono Traditional Market with an area of 150 m² which has

still an individual ownership status. Moreover, the land is still under consideration to be purchased by the Gunungkidul Government Regency.

b. Risk review of the financial basis design in preparation for the Trowono Traditional Market revitalization project

Risk review for the basic financial design to prepare for the Trowono Traditional Market revitalization project. In this case, the Department of Industry and Trade of Gunungkidul Regency designed the project articles of association by involving the CV. Seia Cons (Planning Consultant) to discuss the budget for the Trowono Traditional Market revitalization project and agree on budgetary resources. The source of the budget for the Trowono Traditional Market revitalization project comes from the State Revenue and Expenditure Budget (APBN) in the year 2016 through the Co-Administration Fund (TP) of the Ministry of Trade of the Republic of Indonesia worth IDR 5,805,000,000 to finance the construction of the building and also the budget from Regional Revenue and Expenditure Budget (APBD) of Gunungkidul Regency worth IDR 200,000,000 to finance various reports and also wages for the private sector.

c. Risk review of environmental impacts and social analysis in the Trowono Traditional Market revitalization project

In general, the risk review was carried out by those who initiated the project, where the party is the Department of Industry and Trade of Gunungkidul Regency with CV. Seia Cons as Independent Consultant. In the project planning to revitalize the Trowono Traditional Market, there were no major risks for environmental

impacts. Instead, this project had a positive impact on the economic welfare of the community and traders in the southern part of Gunungkidul Regency. Furthermore, the risk review from the social problems was not found, where the community and traders agreed to a revitalization project.

5. Form of Partnership in Revitalizing the Trowono Traditional Market

- a. Type of agreement between the Government of Gunungkidul Regency and PT. Putra Kharisma Sejahtera in the Trowono Traditional Market revitalization project

The type of agreement that was established between the Department of Industry and Trade of Gunungkidul Regency and PT. Putra Kharisma Sejahtera in the Trowono Traditional Market revitalization project is “contract service + Build and Transfer”. This type of agreement was prepared by the government (solicited), where the private sector of PT. Putra Kharisma Sejahtera only established the Trowono Traditional Market building in accordance with the available documents. Moreover, the type agreement with CV. Seia Cons is Sharing Development Ideas, and also CV. Jana Consultant with the type is Management Contract.

- b. Action plan for developing Trowono Traditional Market revitalization project

The action plan for the Trowono Traditional Market revitalization project refers to the flow of project management made by the Department of Industry and Trade of Gunungkidul Regency with CV. Seia Cons as a Planning Consultant. Action plan in the flow management, where the private sector PT. Putra Kharisma Sejahtera with a Team of Directors and Implementing Consultant carried out a pre-

construction meeting that discussed work schedules, equipment materials, labor, and work drawings and form models. In this Market revitalization action plan, the Department of Industry and Trade of Gunungkidul Regency and CV. Seia Cons plan to establish 31 Kiosk building units and 11 Los units, toilets, market management office, and places of worship and others were set up.

6. Government Support in Revitalizing the Trowono Traditional Market

a. Physical facilities support in Trowono Traditional Market revitalization

Government support for the procurement of physical facilities in the revitalization of the Trowono Traditional Market has not been optimal, where the Department of Industry and Trade of Gunungkidul Regency only provides procurement for trash containers. Furthermore, the provision of other physical facilities such as the establishment of Wastewater Management Installation and water storage containers has not been held. Therefore, this market has not been able to meet the National Market Standards.

b. Financial support in Trowono Traditional Market revitalization

Government support for finance through Regional Revenue and Expenditure Budget (APBD) of Gunungkidul Regency in the year 2017 worth IDR 200,000,000, where the funds are used for filing purposes as well as wages for building construction workers. Other financial support also comes from State Revenue and Expenditure Budget (APBN) in the year 2016 through Co-Administration Fund (TP) of Ministry of Trade of the Republic of Indonesia worth IDR 5,805,000,000

as funding for construction of the Trowono Traditional Market revitalization project.

7. Procurement in Revitalizing the Trowono Traditional Market

a) Project preparation activities for prospective partners in Trowono Traditional Market revitalization project

The procurement preparation process has been carried out by the government through the Procurement Service Unit (ULP) of the Special Region of Yogyakarta. The Trowono Traditional Market revitalization project was tendered with a tender code 4967013 with the name “*Revitalisasi Pasar Rakyat Trowono*” tender as of August 5, 2016. In the initial stage, 70 prospective partners from the Business Entity were offered as candidates for service providers.

b) Project qualifications of prospective partners in determining partners for the Trowono Traditional Market revitalization project

The qualification project for prospective partners has been carried out by the Procurement Service Unit (ULP) of the Special Region of Yogyakarta which there are only 8 participants in the Trowono Traditional Market revitalization project who are able to provide price documents, administrative documents, and technical documents to work on construction of the Trowono Traditional Market revitalization project.

c) Project evaluation for prospective partners by the Government of Gunungkidul Regency in determining the qualifications of documents that pass the selection

The evaluation project was carried out by the Procurement Service Unit (ULP) of the Special Region of Yogyakarta, where the evaluation included administrative evaluation, technical evaluation, and price evaluation. The results of evaluating prospective partners in the Trowono Traditional Market revitalization project left three business entities capable of providing offering prices, namely PT. Putra Kharisma Sejahtera, PT. Sinar Mas Mutiara, and PT. Pradipta Bhumi Kontruksi.

d) Contracts award to winner from auction participants in the Trowono Traditional Market revitalization project

For the process of awarding this contract carried out by the Department of Industry and Trade of Gunungkidul Regency with PT. Putra Kharisma Sejahtera, which was witnessed by the Commitment Making Officer (PPK). The awarding of this contract was carried out on September 3, 2016, with letter number 02/RPRS/PPK/IX/2015. Among these parties are Ir. Pramuji Ruswandono, M.Sc, as the government sector with Dra. Anamin Nurul Janah as the private sector from the general director of PT. Putra Kharisma Sejahtera in the construction of Trowono Traditional Market revitalization project.

8. Implementation in Revitalizing the Trowono Traditional Market.

a. Project construction for revitalizing the Trowono Traditional Market

The construction project to revitalize the Trowono Traditional Market in accordance with the initial plan in the cooperation agreement document, where the construction project used APBN in the year 2016, this budget disbursement through 4 terms was managed by the State Treasury Service Office (KPPN), where every

term, PT. Putra Kharisma Sejahtera must fulfill construction work of 25%, 50%, 75% to 100%. Furthermore, after submitting the funds, the Commitment Making Officer (PPK) oversaw the PT. Putra Kharisma Sejahtera inbuilt various buildings such as 31 Kiosk units, 11 Los units, market management office, bathrooms, Los of stair and *talut*.

b. Project timeline in the revitalizing the Trowono Traditional Market

The timeline for the Trowono Traditional Market revitalization project has been established, where the Department of Industry and Trade of Gunungkidul Regency has determined the project timeline in the document of the cooperation agreement with PT. Putra Kharisma Sejahtera which starts on September 2, 2016, until December 20, 2016, or requires 110 days. Even more, the government conducted due diligence during the maintenance period so the term for the revitalization of Trowono Traditional Market was 180 days.

9. Monitoring in Revitalizing the Trowono Traditional Market

a. Monitoring of the Project Construction Process in Revitalizing the Trowono Traditional Market

The monitoring process has been carried out every 1 week by the Department of Industry and Trade of Gunungkidul Regency, CV. Seia Cons as a Planning Consultant, CV. Jana Consultant as a Supervisor Consultant. Furthermore, this consultant was also carried out by the Inspector General of the Ministry of Trade of the Republic of Indonesia to see the progress of construction work. This monitoring includes payment requests, weekly reports, location photos of 25%,

50%, 75%, 100%, reports of performance and employment, addendum contracts, official progress reports, work reports on inspection of work results, minutes of submission of work, as-built drawings, minutes of payment receipt, guarantee of maintenance from the bank, receipt of payment of social security, and payment receipt for type-c tax.

b. Monitoring of the project result in accordance with the cooperation agreement

Monitoring the final results for the Trowono Traditional Market revitalization project has been carried out by the Department of Industry and Trade of Gunungkidul Regency with CV. Jana Consultant as a Supervisor Consultant and CV. Seia Cons as a Planning Consultant. This monitoring requires several documents from PT. Putra Kharisma Sejahtera submitted to the Commitment Making Officer (PPK) such as payment requests, weekly reports, location photos 100%, work performance and results reports, additional contract reports, work progress notes, results report for job inspection, minutes of submission of work 1, pictures as-built, minutes of payment receipt, guarantee of maintenance from the bank, payment receipts of social security, and receipt of payment for type-c tax. Therefore, as a result of the final review of the Trowono Traditional Market revitalization project, there were no shortcomings in the project development process, all types of documents were completed by the government sector that supervised by the Commitment Making Officer (PPK).

B. Recommendation

Based on the results of the research obtained, as for the suggestions that researcher can convey are as follows:

- a. In the process of public-private partnerships to revitalize the Trowono Traditional Market which was initiated by the government (solicited) from the Department of Industry and Trade of Gunungkidul Regency, it is expected to be able to optimize the PPP scheme in the process of risk review for similar projects, where the process of risk review in the Trowono Traditional Market revitalization project is still lacking in depth in the study of environmental impacts, it is evidenced that there was no procurement of Waste Water Shelter Installation and rainwater storage in the realization project. This causes waste from the Trowono Traditional Market to be transported through garbage containers when the market is operated, therefore there is no provision of rainwater storage containers. The researcher hopes that the Department of Industry and Trade of Gunungkidul Regency and CV. Seia Cons in the process of making a master plan and Detail Engineering Design is also expected that national standard.
- b. For further research, it can examine more credentials related to PPP schemes on government support and monitoring variables, because these two variables are very complex to understand in more detail the government's support scheme for government physical and financial facilities for traditional market revitalization projects.