

# Establishment of Village-Owned Enterprises in the Village of Ponggok

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# Abstract

The purpose of this writing is to know the process of establishment of owned enterprises in Ponggok village. The research method used is research on juridical law empirical. The data analysis techniques used in this study are qualitative descriptive. BUMDes Ponggok was established on 15 December 2009 with the name of Tirta Mandiri. The legal basis of the establishment of the village owned by Ponggok is Law No. 32 year 2004 about local government, government regulation number 72 year 2005 about the village, and district regulation of Klaten Regency No. 2 year 2009 about proprietary enterprises Village. The results of the research stated that BUMDes Tirta Mandiri's founding process consisted of several stages. The stages include conducting a village deliberation to make a deal with the establishment of BUMDes, socializing the establishment of BUMDes to the community, village deliberations between the village government and the village consultative Agency (BPD), and then Establishing village regulations on the establishment of BUMDes.

Keywords: Village; Village Ponggok; Village owned enterprises

### Introduction

Prior to the birth of the village law, the village's arrangement was contained in article 200-216 of law number 32 year 2004 on local government, and government Regulation No. 72 year 2005 about the village. Establishment of a village owned enterprise specifically stipulated in article 213 paragraph (1), article 78-81 government Regulation number 72 year 2005 about the village, regulation of the Minister of the Interior number 39 year 2010 about the village owned enterprises, and local regulations. These regulations indicate the seriousness of the government in developing the village, although the village setting in the above regulations is assessed to still not accommodate the interests of the village.

Establishment of village owned enterprises need to continue to be encouraged as an effort to strengthen the economy in rural areas. Village owned enterprises are expected to manage the potential of the village to be used for the welfare of society. Before the village owned enterprises, the development to strengthen the rural economy has long been done by the Government, for example through the program of Family Tourism Empowerment (PKK), farmer groups, and so forth.

Ponggok Village is one of the villages that already have a village owned enterprise. Ponggok Village is a village located in Polanharjo Sub-district, Klaten Regency, Central Java province. The village of Ponggok is now developed into a water tourism village, considering the village of Ponggok has abundant water potential. Village government Ponggok established BUMDes on 15 December 2009 based on the rule of Ponggok Village No. 6 year 2009 as BUMDes Tirta Mandiri.

# Problems

Based on the background of the above, the formulation of the problem taken in this study is: how the process of establishing a village owned enterprise in the village of Ponggok Polanharjo District Klaten Regency.

# **Research Methods**

The research is based on legal research conducted with a juridical approach to empirical. An empirical approach is an approach that refers to the written rules to see how the implementation is in the field [1]. This research uses primary and secondary data. The primary Data comes from a live interview with village chief Ponggok and Secretary BUMDes. Secondary Data is derived from books, journals, and legal

regulations. The Data obtained from the results of field research and literature research was arranged systematically, and then conducted a qualitatively descriptive analysis.

# **Research Result and Discussion**

## Understanding the village

In some language contexts, many regions in Indonesia mention "Village" in various other languages, but still the same meaning the village, for example in the people of Lampung is known as Tiyuh or Pekon. However, in terms of etymologically, the word village derives from Sanskrit, which is deca, meaning homeland, land of origin or land of birth, ancestral land, which refers to a unit of living with a unity of norms and has an obvious boundary [2].

According to H. A. W Widjaja, the village is a unity of the legal community that has a genuine arrangement based on the right of origin that is special. The foundation of thought regarding village governance is diversity, participation, genuine autonomy, democratization, and community empowerment [3].

#### Legal entity definitions

There are some notions about legal entities submitted by experts [4]:

a. E. Utrecht suggests, that the legal entity (Rechtpersoon), which is a body under the ruling Law (authorized) to be a supporter of rights, further explained that the legal entity is any non-human rights advocates or the more appropriate.

b. R. Subekti posits that the legal entity is a body or association that can have rights and perform acts such as a human being, and has its own wealth, can be sued or sue in front of a judge.

c. R. Rochmat Soemitro suggests, the legal entity (Rechtpersoon) is a body that can have property, rights and obligations such as private persons.

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Based on the above, it can be concluded that the legal entity has rights and obligations such as humans, can do legal acts like a person, even though the form does not look like a human.

### Understanding of business entity

Regarding the understanding of the business entity, Chidir Ali quoted what was conveyed by A. Ridwan Halim, which explains "the business entity is the embodiment or manifestation of the company organization, which provides the form of workings, containers and forms/large small responsibilities of the officers/members, the business entity generates profits derived from the results of marketing goods and services" [5].

Basically when it is reviewed from the corner of the jurisdiction, the business entity can be distinguished from a legal entity and a non-legal entity. The difference between a legal entity and a non-legal entity is the company's [6]:

# a. Corporate entity

1) The legal subject is the business entity itself, because it has become a legal entity which also includes the subject of law besides human beings.

2) Separate property from the personal property of the officers/ members, consequently if it is bankrupt then the affected only the property of his company.

3) Form of legal entity, such as PT (limited liability company), regional company, Cooperative, Foundation, State Corporation.

#### b. Non-legal entity

1) The legal subject is the people who are the ones who are the only ones, so not the business entity itself.

2) The treasure is united with the personal treasures of its successors, consequently in the event of bankruptcy the personal treasures of the care may be seized.

3) The form of a non-legal entity such as the firm, CV (Comanditaire Venootschap), Civil Federation (MAATSCHAAP).

# Village-owned enterprises arrangement

Before the birth of Law No. 6 of 2014 about the village, the villageowned enterprises arrangement was governed in the Law Number 32 year 2004 on local government, government regulation number 72 year 2005 about the village, and regulation of the Minister of the Interior number 39 year 2010 about the village owned enterprises. Article 213 paragraph (1) of law number 32 year 2004 concerning local government governs that the village can establish a village owned enterprise in accordance with the needs and potential of the village. Article 78 paragraph (1) government Regulation number 72 year 2005 about the village states that in increasing the income of people and villages, the village government can establish the village owned enterprises according to their needs and potential village. Article 81 paragraph (1) of government Regulation No. 72 year 2005 about the village states that further provisions on the procedure of forming and managing the village owned enterprises are governed in the district/ city regulations.

The village owned enterprise, hereinafter called BUMDes, is a village venture formed/established by the village government whose capital ownership and management is conducted by the village and community governments. The village business is a type of business that is a village economic services such as, service business, distribution of

nine staples, trade in agricultural products, and industry and handicraft of the people.

The process of establishment of village owned enterprises in the village of Ponggok Polanharjo District Klaten Regency.

Village of Ponggok Polanharjo District Klaten District is one of the villages that have established the village owned enterprises. Village owned company Ponggok was established on 15 December 2009 with the name of Desa owned by Tirta Mandiri Village. Village owned company Ponggok was established before the birth of Law No. 6 of 2014 about the village. So in this case the legal basis of the establishment of the village owned company Ponggok is Law No. 32 year 2004 about local government, government regulation number 72 year 2005 about the village-owned enterprises.

The head of the village of Ponggok, Mr. Junaedhi Mulyono, S. H. has the idea to establish a village owned enterprise in order to manage the potential owned by the village Ponggok. In 2009 the condition of Ponggok village is still not advanced as it is today. The socio-economic life of most of the population is recorded below the poverty line.

To realize the establishment of BUMDes, village chief Ponggok brought together village government, village consultative agency, and community leaders to discuss the strategic issues of one agreement for the establishment of proprietary enterprises Village. Establishment of village owned enterprises is expected to manage with the maximum potential of the village of Ponggok, so it will be able to increase the village's original revenue (PADes) and the people of the village Ponggok.

The steps in the establishment of the company owned by Tirta Mandiri Village in the village of Ponggok are as follows [7]:

# An agreement to establish BUMDes

The initial stage of the establishment of BUMDes Tirta Mandiri is the agreement between the village government Ponggok, village consultative Agency (BPD), and community leaders. The agreement is generated in a village deliberation, after the agreement then the village government and the BPD will socialize to the community.

# Socialization of BUMDes Establishment

Village government Ponggok and Permusyawaratan Village agency Ponggok Socialize to the community about BUMDes. BUMDes is something new, and many who do not know about BUMDes, then this socialization aims to make the community of Ponggok Village know and understand about BUMDes, the purpose of the establishment of BUMDes, benefits the establishment of BUMDes for the community. For village government, this socialization also aims to see the community response, gather suggestions and inputs related to the establishment of BUMDes.

# Village Deliberation

In December of 2009, there was a village deliberation involving village government, village consultative agency, and or community leaders to discuss the founding of BUMDes. The village deliberation resulted in the following things:

# 1) BUMDes name and position

The agreed name for the village-owned business entity that was established is the village owned by Tirta Mandiri. Tirta means water that is the specificity or the Kekasan of Ponggok village, while Mandiri means stand alone. Village owned company Tirta Mandiri domiciled in the village of Ponggok Polanharjo District Klaten Regency.

# 2) BUMDes shape

BUMDes Tirta Mandiri is a business entity owned by the government of Ponggok Village, which manages the potential and assets of the village to get the profit used to dissociizing the village community. In this form BUMDes Tirta Mandiri business entity is not legal entity.

# 3) The purpose of BUMDes establishment

The establishment of a company owned by Tirta Mandiri Village has a goal to be achieved together. These objectives include:

Encouraging the development of economic activities of Village people;

To enhance the creativity and economic business opportunities of productive and low-income village communities;

Encouraging the development of small business to the absorption of labor for the community in the village.

# 4) BUMDes Business Unit

The business Unit that was first run by the village owned by Tirta Mandiri is to keep the borrowing and supply of clean water, then Umbul Ponggok started to be managed by BUMDes in 2010.

# 5) Capital BUMDes

Initial capital of the Desa owned by Tirta Mandiri Village is derived from budget income and expenditure Village (APBDes) which has been agreed in the discussion of the village deliberation, which is Rp. 100,000,000.00 (One hundred million rupiah). After BUMDes started running, the government of Ponggok village entered into the inclusion of the village capital in the form of buildings and facilities. Inclusion of the village assets to BUMDes Tirta Mandiri is worth Rp 2,515,875,100.00 (two billion five hundred fifteen million eight hundred seventy five thousand hundred Rupiah), which includes:

bangunan dan fasilitas pariwisata Umbul Ponggok senilai Rp 314.440.000,00 (tiga ratus empat belas juta empat ratus empat puluh ribu rupiah);

bangunan tower, instalasi, dan alat-alat bersih senilai Rp 470.850.000,00 (empat ratus tujuh puluh juga delapan ratus lima puluh ribu rupiah);

bangunan kolam-kolam perikanan senilai Rp 993.902.600,00 (sembilan ratus sembilan puluh tiga juta sembilan ratus dua ribu enam ratus rupiah);

bangunan kios kuliner sebesar Rp 439.682.500,00 (empat ratus tiga puluh sembilan juta enam ratus delapan puluh dua ribu lima ratus rupiah); dan mobil Suzuki APV, L 300, dan sepeda air senilai Rp 197.000.000,00 (seratus sembilan puluh tujuh juta rupiah).

# 6) Board of BUMDes

At the beginning of BUMDes Tirta Mandiri, the board of BUMDes consists of advisors, supervisory bodies, and managers.

Adviser in this case is the village head Ponggok, the supervisory body is filled by representatives of public figures in the village of Ponggok, and the manager of BUMDes. BUMDes Manager consists of chairman, Treasurer, Secretary, and field coordinator.

#### 7) Setting AD/ART

AD/ART company owned by Tirta Mandiri Village is about the name and position of BUMDes, business Unit, capital, organizational structure or admin of BUMDes, logo BUMDes, and the division of profits or business results, accountability report, dissolution, supervisory body, and regulations in the management.

#### 8) Distribution of business results

The share of business results of each year end with the accountability report based on net profit percentage, the realization is as follows:

- a) Deposited to APBDes by 30%;
- b) BUMDes capital fertilization by 25%;

c) The incentives of the Board of Commissioners, Commissioners, and managers by 15%;

- d) Capital reserves of 10%;
- e) Education Fund and management training of 10%;
- f) A supervisory body incentive of 10%.

# Establishing village regulations on the establishment of BUMDes

The result of the village deliberation about the establishment of a company owned by Tirta Mandiri Village will be used as a guideline by the village government of Ponggok and the village consultative Agency (BPD) in establishing village regulations. On 15 December 2009 village government Ponggok together with the village consultative agency Ponggok set the village Regulation number 6 year 2009 about village owned enterprises. The village's regulations were then laid down by the Village secretary, so the general public knew it. With the establishment of the village regulation marked the establishment of a company owned by Tirta Mandiri Village.

# Conclusion

Ponggok Village established a village owned enterprise under the name BUMDes Tirta Mandiri on 15 December 2009. BUMDes Tirta Mandiri was established with village regulation Ponggok No. 6 of 2009 about village owned enterprises. The stages in the process of establishing a company owned by Tirta Mandiri Village is a joint agreement to establish BUMDes in the village deliberation, after the agreement village government and BPD socialize to the community, held a village deliberation to discuss village regulations and AD/ART, then set the village rules about the establishment of BUMDes.

# Suggestion

For local governments, in addition to issuing regulations in the form of local regulations on the guidelines for founding BUMDes, the local government is expected to conduct supervision and construction. In fact many villages set up BUMDes, but the continuation is unclear.

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