

TRANSFORMATION OF LOCAL GOVERNMENT TECHNICAL MANAGEMENT UNIT WASTE MANAGEMENT IMPLEMENTS REGIONAL PUBLIC SERVICE AGENCY TO OVERCOME WASTE PROBLEMS IN INDONESIA

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Abstract

Financing in local governments is an important point in dealing with the waste problem in Indonesia. Converting waste into goods or materials that can be used in other forms is a solution to the waste problem. At the Bagendung Cilegon TPSA, waste can be processed into solid jumputan fuel which is a companion fuel to coal, of course this process requires quite a lot of capital and operational costs, while regional budget funding will not be sufficient. So it requires a financing scheme outside the regional budget but still one chain of command of the regional government, the Regional Public Service Agency (BLUD) which is the best choice to overcome financing problems in the region. By implementing flexible BLUD, you can overcome various problems at UPTD related to financial governance, one of which is financing. In the UPTD transformation to implement BLUD, there are several requirements that must be met, namely: substantive requirements, technical requirements and administrative requirements. These three conditions must be met which will then be reviewed by the regional government assessment team. In this research, it was conducted qualitatively, using primary and secondary data, obtained by in-depth interviews and data collection and documents, there were 8 informants from the regional government, environmental services and UPTD TPSA Bagendung, Cilegon city. The aim of this research is to understand the process of transforming UPTD into UPTD BLUD, how to fulfill all requirements and understand the commitment of all relevant stack holders to changes in BLUD policy. UPTD BLUD will have a lot of flexibility in managing revenue so that it is hoped that TPSA waste processing operations can run according to government targets. In the formation of BLUDs, there is autonomous regional government participation and policy which greatly influences whether or not BLUDs are formed in a region. Commitment and understanding of BLUDs is very important so that harmonization occurs in all lines of regional government.

Keywords: regional Public Service Agency; Financial governance; Waste Management; Public Sector;

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INTRODUCTION

The waste problem in Indonesia seems to know no word finished. In various regions, waste handling is carried out but problems always reappear, this happens because of the lack of regulations, institutions, management budgets and lack of community participation (Bernstein, 2004). There are still many districts / cities in Indonesia that do not have a clear legal umbrella in waste management and also strict law enforcement against the behavior of people who litter (Hendra, 2016; Lestari, 2016). Institutions need a separation between regulators and operators where implementation and supervision mechanisms can be implemented. Then the guidelines and guidelines that explain the respective roles between the government and the private sector are still unclear, there is still overlap between the government and other parties (Shaoul et al., 2012).

The most important point in the waste problem lies in financing, especially the government in waste management in the regions. The average amount is only 0.51 percent of the total Regional Budget (APBD) in each district/city. This was said by the Head of the Sub-directorate of Producer Governance, Directorate of Waste Reduction, Ministry of Environment and Forestry (KLHK) Ujang Solihin Sidik in a discussion at the 2023 National Waste Care Festival (FPSN), which was held in a hybrid manner on Thursday, June 15, 2023, at the Manggala Wanabakti auditorium, KLHK, Central Jakarta (source kompas).

The Cilegon City Government has a technical management unit (UPT) for the final waste processing site (TPSA) located in the Bagendung area of Cilegon can process waste into BBJP (Solid Jump Fuel) which will be sold to the Suralaya PLTU as a companion fuel for coal or *co-firing*. The existence of PT. Indonesia Power, which consumes 40,000 tons of coal fuel per day, is used by the Cilegon City Government as a recipient / offtaker of *co-firing* needs or *coal companion materials which have become the Roadmap & Projection* of *co-firing* PLTU PT. Indonesia Power is 5% of coal consumption or 2,000 tons per day. Currently, the Cilegon City TPSA can only process 30 tons / day of waste to produce BBJP 10.5 tons / day or 3,150 tons / year with an investment cost of 10 billion and operational costs of approximately 1.9 billion / year. In the future the Cilegon city government plans to be able to process 100 tons / day of waste to produce BBJP 35 tons / day or 10,470 tons per year with investment costs reaching 35 billion and operational costs of approximately 6 billion / year, still far from the target where to meet BBJP 2,000 tons / day will require waste to be managed at 5,700 tons / day, while the waste produced by the city of Cilegon is only 240 tons / day. When viewed from the potential income of PT. Indonesia Power can buy BBJP which will be a very extraordinary income for the city of Cilegon.

The management of waste into BBJP carried out by the Cilegon City Government will certainly have a major impact not only on the environment but can have an impact on the economy of Cilegon City and can absorb local labor, and no less important is to be a solution in reducing the use of non-renewable energy, namely coal (Krisnawati, 2022). However, to be able to realize it all requires a lot of budget, not to mention that UPT as an operational executor cannot carry out transactions PT. Indonesia Power because all regional work units must comply with financial management patterns contained in laws, government regulations, presidential regulations, finance ministry regulations, ministry of home affairs regulations and decision decisions related to state financial governance. The lack of regional budgets in waste management also plays a difficult role in overcoming the problems mentioned above, only about 0.51 percent of the total regional budget (Satria, 2021).

In order for the TPSA UPT to run its operations without being constrained by financial governance rules, exceptions are needed from the provisions of financial management patterns from general, flexible mechanisms are needed so that operations can run and are not categorized as violating state financial governance rules. The Regional Public Service Agency can currently be a solution to the problems mentioned above, in accordance with the domestic regulation abbreviated as Permendagri 79 of 2018 concerning Regional Public Service Agencies are work units that perform services to the community are given exemptions from regional financial management patterns in general. There are several requirements that must be met and a study is carried out from ordinary upt to BLUD-status upt. It is expected to increase the status of the TPSA Bagendung Cilegon upt institution to BLUD status so that the TPSA can carry out waste management and can transact with Suralaya and not experience obstacles in the flexibility of its financial governance.

The objectives of this study are bagaimana memahami proses transformasi dari upt Become a UPT with the status of a Regional Public Service Agency.

RESEARCH METHODS

This research uses qualitative descriptive method and case study design (Kim et al., 2017). The location of this research is in the technical management unit (UPT) of the final waste processing site (TPSA) in Cilegon, the Cilegon City Environmental Office and the Cilegon City Government. The way data is collected is through in-depth interviews, observation and documentation. Data processing is carried out by compiling data that has been collected, then data processing and analysis are carried out. The method of data validity used is through source triangulation (Aulia, 2018).

RESULT AND DISCUSSION

Based on the domestic regulation abbreviated as Permendagri No. 79 of 2018, the Regional Public Service Agency is a system applied by the regional apparatus work unit or work unit in the regional apparatus work unit in providing services to the community who have flexibility in Financial Management Patterns as an exception to regional management provisions in general. Flexibility in KDP by implementing sound business practices to improve services to the community without seeking profit in order to advance general welfare and educate people's lives. Implementation of organizational functions based on good management principles in the context of providing quality, sustainable and competitive services. Where the duties and functions are operational in organizing public services that produce semi-public goods / services (*quasi public goods*) (Hoffman & Kirk, 2013). The definition of semi-public goods / services is a range / service that should be done by the government, but can be provided by the private (private). In this case, the upt tpsa under the environmental office of waste processing can also be carried out by the private / community. The semi-public can reduce dependence on spending on the regional budget. The public service carried out by UPT TPSA Bagendung Cilegon is in the form of processing waste to become goods that can be utilized, in this case converting waste into solid jump fuel (BBJP) as a companion fuel for coal to be used at the Suralaya PLTU.

Final Waste Treatment Readiness in BLUD application

TPSA Bagedung Cilegon City in meeting the requirements for the implementation of BLUD policies has met the substantive requirements by showing its duties and functions as a provider of goods / services and also meets administrative requirements by making 6 administrative requirements documents that have been assessed by the assessment team, even technical requirements in service performance show 2 feasible criteria in terms of service and financial performance Rustam & Cahyono, (2023), This is shown by the improvement of service performance in waste processing in Cilegon City which will reach 100% organic waste handling in Cilegon City.

The reform of waste management services carried out in Cilegon City has many positive impacts, what about flexibility and the concept of balancing funds, namely balancing between sources of funds from the community called service services and sources of local government APBD funds in operationalizing waste handling (Al' Afghani et al., 2015; Amaruzaman et al., 2022). This change is called government entrepreneurship, efficient and effective collaboration between the public and private sectors to achieve quality services with available resources. Of course, this is very much in line with the spirit of BLUD in the era of national economic growth.

In financial performance, it can also be seen in the ratio of income and operational performance Sukmadewi, (2020), especially in waste processing, showing a ratio above 65% is a good number for the balance of APBD funds and Service Services. In the public sector, financial performance is not merely a matter of increasing revenue, but carries the concept *of value for money*, how to maximize finances efficiently and effectively in the use of budgets.

The success variables of the implementation of BLUD in the public sector are divided into 2 categories, namely non-financial and financial assessments, non-financial of course related to the results of service quality to the community and government.

Stakeholders

Stakeholder analysis by looking at the level of importance and influence of *stakeholders* (Nurfatriani et al., 2015). The level of importance and influence of *stakeholders* involved in this study is quite high, we can look at it in the stakeholder matrix. This shows that all stakeholders who are respondents in this study who are divided into several levels have an interest and influence in the implementation of BLUD waste management policies in Cilegon City. The results of *stakeholder* analysis in the matrix show that their respective roles have a supportive attitude.

The policy of implementing waste processing BLUD in this study shows that *stakeholders are ready to implement and strongly support BLUD, but socialization is needed so that there is good harmonization between stakeholders and implementers, starting from the readiness of human resources and regulatory regulations that affect the implementation of waste processing BLUD* .

Backing

Support from superiors *of external stakeholders* of waste processing and support from local governments for the implementation of waste management BLUD already exists, but the understanding of financial governance in its implementation has not been fully understood by all parties both directly and indirectly involved. From the results of the interview above, full support even from the highest regional leaders has been obtained (Silalahi, 2021).

Commitment

The *stakeholders* are very excited starting from the preparation of documents and the spirit of overcoming the challenges faced, none of them are not enthusiastic or just implementing this policy, only understanding of BLUD governance is a problem. Everyone understands that this waste problem has become a national issue, in Cilegon City in collaboration with PT. Suralaya with the innovation of waste processing into BBJP is a very good solution, in addition to overcoming waste, it can even increase local original income, this is also an encouragement in the region. Therefore, all *stakeholders* strive to understand and overcome the challenges of BLUD in accordance with their respective duties and functions

CONCLUSION

The implementation of the BLUD waste management policy in Cilegon City is ready to be implemented because it has met 3 requirements in accordance with Permendagri 79 of 2018 and has been approved by the mayor of Cilegon. Stakeholders in Cilegon City all support the implementation of the BLUD policy in waste processing but have not fully understood and prepared the regulations needed to be able to implement the BLUD policy.

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