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Optimalization Of Village Funds For Community Economic Development (Case Study in Sungai Awan Kiri Village)

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Abstract

This research was conducted to see how village funds can be used optimally in development in Sungai Awan Kiri Muara Pawan Ketapang village and its utilization to support community empowerment. This research uses descriptive methods and is conducted through a qualitative model. The data collection method used is direct observation and in-depth interviews with the focus of the research objectives that the researcher wants to achieve. The informants used in this study consisted of 4 (four) people consisting of the Village Head, Village Secretary, Finance Section and Community Leaders. The analysis method used is data collection, data reduction, data presentation, and conclusion drawing. The results of the study found that Sungai Awan Kiri Village succeeded in empowering the community's economy through the Village Fund. Sungai Awan Village focuses on the existing village potential, involves active communities, and establishes cooperation with the private sector so that community income increases and the village becomes more advanced. This case study can be emulated by other villages to achieve sustainable village development.

Keywords: Village Fund, optimization, economy, community

INTRODUCTION

Law No. 6/2014 states that a region is a legal population unit with environmental boundaries and the right to regulate and control the interests of government and community development. In 2015, villages obtained a new source of income, namely

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the village budget from the state budget. The village budget will be received in stages, the distribution of village funds is based on four factors: area, total population, poverty value and geographical quality. In the local government system, villages have powers that are useful for supporting the implementation of government including development (Yustisio, 2020).

Planned development supports villages and other disadvantaged areas that aim to improve community peace and security evenly and fairly, because villages illustrate the background that has the highest number of difficulties in Indonesia. Statistics Indonesia argues that the level of underdeveloped villages in 2019 was 12.60, increasing to 12.82%. Village occupation as a development facility can support to reduce inequality. These inequalities include; income inequality and rural and urban inequality can be realized as expressed by Wicaksono in Marlina (2019).

In Indonesian government, the smallest area with direct contact with citizens is called a village. Developing rural areas by strengthening villagers to increase productivity, diversity of rural businesses and also support the production chain, grow the economy and rural resources is one of the government's missions (Wijayanto, 2018). To support such effectiveness, an area needs the role of local residents, community participation is indispensable for the successful development of the country. Citizen awareness and participation are key to development, success and achievement. The successful management of village funds depends not only on the amount of funds received, but also on the quality of governance, strong leadership, and active community participation (Raharjo, 2023).

With the rule of power in the era of regional autonomy, village managers have the power to enter the village's original income without the involvement of the central government. With this division of authority, the government hopes that the village or region will be able to increase its high development capacity with other regions in the context of regional development (Susanti, 2017). The purpose of regional autonomy is to reduce community inequality, accelerate economic development and regional expansion, and can improve the quality of public services in order to meet daily needs efficiently. Each region gets the freedom to regulate the capacity or substance of the village it has. We can improve the interests of the community by preparing good and efficient facilities and infrastructure.

On a national scale, the inclusion of village budgets from phase 1 in 2015 to 2017 has increased. In 2015, the absorption of village funds reached 82% of the total funds disbursed amounting to Rp20.68 trillion and in 2016, the distribution of village budgets

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increased by Rp46.98 trillion. The funds absorbed reached 97% of the total funds distributed. And in 2017 the distribution of village funds increased to Rp 60 trillion and the absorption increased to 99% of the total village funds distributed (Muliawan, iwan; Cahyo Sasmito, Cakti Indra Gunawan, 2019).

Research previously conducted by Boedijono in Fitriani (2021) said that it is hoped that the development of village economic enterprises can improve the welfare of the lives of rural people whose livelihoods are traders. Based on preliminary survey research and observations so that researchers know the condition of the research object. From the above phenomena and background, researchers want to know and analyze how the effectiveness of the use of Village Funds for community economic empowerment in Sungai Awan Kiri Village and what strategies can be applied to optimize the use of Village Funds for community economic empowerment in Sungai Awan Kiri Village?

LITERATURE REVIEW

The Village Fund is an allocation of funds received by the village government from the APBN, which is intended specifically for villages. The use of village funds has several priorities and objectives that must be adhered to. Here are some common uses of village funds: 1. Improving Social Welfare: Improving the practice of religious, social, and cultural values in order to realize the improvement of social welfare. and Improving services to the village community, as well as Encouraging increased self-help and mutual cooperation of village communities. 2. Village and Community Income: Increase village and community income through village-owned enterprises (BUMDes). 3. Village Government Operations: 30% of the village fund allocation is used for village government operations in financing village operations. 4. Fund Disbursement: Second-stage disbursements can be made if the use of the first disbursement has been accounted for administratively, technically, and legally. Disbursement of both the first and second tranches is done by transferring the fund book from the regional treasury to the village cash account. 5. Prioritas Penggunaan Dana Desa: Pemulihan ekonomi nasional sesuai kewenangan desa. dan Penanggulangan kemiskinan untuk mewujudkan desa tanpa kemiskinan. dan BLT-DD.

Village financial management is carried out based on the principles of transparency, accountability, participation, and is carried out in an orderly and disciplined manner. The prioritization of the use of village funds is regulated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration

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Number 7 of 2021. Village funds are also used for village infrastructure programs by prioritizing the use of local labor and raw materials and village development programs in accordance with the potential and characteristics of the village.

The source of village funds comes from the State Revenue and Expenditure Budget intended for the Village which is transferred through the Regency / City Regional Revenue and Expenditure Budget. The realization of the distribution of the Village Fund can be seen in the menu below by selecting the area you want to see. The Village Fund is calculated based on the number of villages and allocated by taking into account the population, poverty rate, area, and level of geographical difficulty. The Village Fund can also be used to finance the field of community empowerment based on the conditions and potential of the village, in line with the achievement of the RPJMDes and RKPDes targets each year.

Seeing the important role of villages, the Village Law was born as a form of state recognition of villages. The Village Law is a legal basis that clarifies the functions and authority of villages, and strengthens the position of villages and village communities as subjects of development. To support the implementation of village tasks and functions in the administration and development of the village, the Village Law mandates the central government to allocate Village Funds. The Village Fund is budgeted annually in the State Budget and is given to each village as one of the sources of village income (Christianingrum; Ratna, 2020).

RESEARCH METHODS

This research applies a descriptive qualitative approach. According to Sugiyono (2019), qualitative research is a type of research that intends to understand the meaning behind human behavior and their interactions with the environment. This research focuses on qualitative data collection, such as observation, in-depth and structured interviews, to produce a deep understanding of the phenomenon under study. As a source for collecting interview data, it consists of sources or informants, namely:

Table 1. Informant data

Informant	Coding
Head of Sungai Awan Kiri Village	SN
Village Secretary	CS
Finance Section	YH

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Community Leader 1	AS
Community Leader 2	FD

Source: processed 2024.

RESEARCH RESULTS AND DISCUSSION

RESEARCH RESULTS

Sungai Awan Kiri Village is one of the villages located in Muara Pawan sub-district, Ketapang Regency, precisely in the northern part of the Ketapang city center point and only approximately 10 km away. To get to Sungai Awan Kiri is very easy, namely past the Ketapang police station in the direction of North Kayong district. After passing the Pawan 2 Bridge which is the boundary of Delta Pawan and Muara Pawan sub-districts. Sungai Awan Kiri Village has a strategic position, because it is a village that is passed by the state road. Residents in Sungai Awan Kiri village are diverse, ranging from differences in religion, education and livelihoods. The population of Sungai Awan Kiri Village based on the 2021 village profile is 6,015 people, consisting of 2,908 men and 3,017 women. The livelihoods of the community in Sungai Awan Kiri village vary, such as farmers, civil servants, fishermen and as private employees. Most of the residents are farmers and fishermen, because Sungai Awan Kiri village has extensive agricultural land and also has a coastline commonly known as the Belandang cape beach tourist spot.

Based on data obtained in Sungai Awan Kiri village, this village has a lot of potential such as:

1. Agriculture:

a. Rice production center: Sungai Awan Kiri Village has extensive and fertile paddy fields, making it suitable for the development of a rice production center. This can improve the village's food security and become a source of income for farmers.
b. Rubber plantation: Rubber is one of the leading commodities in Ketapang Regency. Sungai Awan Kiri Village has the potential to develop rubber plantations, both small and large scale.
c. Oil palm plantations: Oil palm is also a leading commodity in West Kalimantan. Sungai Awan Kiri Village has the potential to develop oil palm plantations, but needs to pay attention to environmental and social aspects.

2. Fisheries:

a. FishPonds: Sungai Awan Kiri Village has a long coastline, making it suitable for pond development. Ponds can produce fish, shrimp and milkfish that have high economic value.

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b. Fishermen: Fishing activities in Sungai Awan Kiri Village can be improved by providing adequate facilities and infrastructure, such as boats, nets, and cooling machines.

3. Tourism:
   a. Tanjung Belandang Beach: Tanjung Belandang Beach is one of the beautiful beaches in Sungai Awan Kiri Village. This beach has the potential to be developed as a marine tourism attraction.
   b. Ecotourism: Sungai Awan Kiri Village has unspoiled forests that are rich in flora and fauna. This can be a potential for ecotourism development, such as nature tourism and educational tourism.
4. Farm:
   a. Cows: Cow farming can be developed in Sungai Awan Kiri Village to fulfill the meat needs of the village and surrounding communities.
   b. Chicken: Chicken farming also has the potential to be developed in Sungai Awan Kiri Village, both to produce meat and eggs.
5. Small and Medium Industry (SMI):
   a. Handicrafts: Sungai Awan Kiri Village has potential for the development of handicraft SMEs, such as rattan weaving, wood carving, and batik making.
   b. Processing of agricultural products: Agricultural products in Sungai Awan Kiri Village can be processed into value-added products, such as rice flour, coconut oil and shredded meat.

The potentials in Sungai Awan Kiri village are very likely to be developed for the benefit of community welfare. With the existence of village funds as a stimulus for development in the village, if utilized properly, existing potentials can be developed as stated by Kasih; Ni Nyoman, et al. (2023), Village funds need to be managed by taking into account local wisdom and the potential of the local village. This will ensure that village development programs are aligned with the culture and needs of the village community.

Based on an interview with an informant who also serves as the village head in Sungai Awan Kiri (SN) about the optimization of village funds for the welfare of the community, the following information was obtained:

> *"Alhamdulillah, our village has many potentials that we can develop. We use village funds to support programs that are in line with these potentials. For example, for the agriculture sector, we help farmers with the provision of fertilizers, seeds, and agricultural tools. In the fisheries sector, we help fishermen with boats,*

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nets, and cooling machines. For tourism, we build infrastructure such as roads, bridges, and gazebos on the beach."

Furthermore, information was obtained from the head of Sungai Awan Kiri village (SN) about the success of the program:

"Yes, of course. The results can be seen from the increase in people's income. Farmers and fishermen can now get more crops and sell them at higher prices. There are also more visitors to Tanjung Belandang beach."

Furthermore, information obtained from the role of the Sungai Awan Kiri (AS) community in supporting these programs is obtained directly as follows:

"The community is very involved in these programs. They are active in planning, implementing, and monitoring the programs. This makes the programs more effective and sustainable."

Further information on what programs have been running in Sungai Awan Kiri village was obtained from the village secretary (CS) as follows:

"For example, the 'Superior Rice Production Center' program that helps farmers increase their rice yields. The "Independent Fishermen" program that helps fishermen improve the quality of their catch. And the "Tanjung Belandang Prosperous Beach" program that helps develop tourism in our village."

Furthermore, an interview was conducted with the finance department of Sungai Awan Kiri village (YH) about the process of the village empowerment program, and the following information was obtained:

"We conduct regular monitoring and evaluation to ensure that the programs are running effectively and efficiently. We use the monitoring and evaluation results to improve future programs."

After conducting interviews and obtaining information about the development of the potential of Sungai Awan Kiri village from village officials, such as from the village head, village secretary and village finance department, further information was obtained from two community leaders of Sungai Awan Kiri village to find out the community's direct assessment of the empowerment programs that have been carried out by the village government, the information is as follows:

Community Leader 1 (AS): *"I am very impressed with how village funds are used in our village. The programs are right on target and beneficial to the community."*

Community Leader 2 (FD): *"True, these programs have improved the welfare of the community and made our villages more advanced."*

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DISCUSSION

Furthermore, information was obtained regarding what strategies can be applied to optimize the use of Village Funds for community economic empowerment in Sungai Awan Kiri Village and also the challenges faced in implementing the program, the following results:

a. Information from the Head of Sungai Awan Kiri Village regarding the strategies applied in the implementation of the program

We focus on developing existing village potential to increase community income. We actively involve the community in economic empowerment programs, such as training, capital provision, and mentoring. We also collaborate with the private sector to open up market access for village products.

b. Programs implemented

One of its programs is the "Superior Rice Production Center". This program helps farmers increase their rice yields by providing training on modern rice cultivation techniques, provision of fertilizers and superior seeds, and assistance with farming tools.

Another useful program is "Nelayan Mandiri". This program helps fishermen improve the quality of their catch by providing training on environmentally friendly fishing techniques, provision of better boats and nets, and assistance with cooling machines to keep the catch fresh.

In the tourism sector, there is the "Pantai Tanjung Belandang Sejahtera" program. This program helps develop tourism in our village by building infrastructure such as roads, bridges, and gazebos on the beach, as well as training for local people to become tour guides and homestay managers.

c. *Related to the success of the empowerment program*

The results were very positive. Community incomes have increased significantly. Farmers and fishermen can now get more crops and catches and sell them at higher prices. There are also more visitors to Tanjung Belandang beach.

d. on the challenges faced

One of the challenges is limited human resources. We need more experts to assist and train communities in economic empowerment programs. Another challenge is limited market access. Village products are still difficult to market outside the region. We also need to raise public awareness about the importance of preserving the

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environment. This is important to support the development of a sustainable tourism sector.

e. How to overcome these challenges

We continue to improve the capacity of human resources by conducting training and workshops. We also collaborate with the private sector to open market access for village products. In addition, we educate the community on the importance of preserving the environment.

f. Expectations of the sustainability of the empowerment program by the village head

I hope Sungai Awan Kiri Village can become an independent and prosperous village. Its people can improve their income and quality of life through the development of the village's potential (Head of Sungai Awan Kiri Village (SN).

Based on interviews with the Village Head, Village Secretary, Village Finance Officer, and Community Leaders, the optimization of village funds in Sungai Awan Kiri Village is carried out with a focus on developing existing village potential. This is evidenced by the various programs that have been implemented, such as “Superior Rice Production Center”, “Independent Fishermen”, and “Tanjung Belandang Prosperous Beach”. These programs have shown positive results in increasing community income, improving the quality of crops and catches, and developing tourism in the village. The successful optimization of village funds in Sungai Awan Kiri cannot be separated from the active role of the community and village government. The community is involved in program planning, implementation, and supervision. This makes the programs more effective and sustainable. The village government also conducts regular monitoring and evaluation to ensure that the programs run effectively and efficiently.

The optimization of village funds in Sungai Awan Kiri can serve as an example for other villages in improving community welfare. Other villages can learn from the programs that have been implemented in Sungai Awan Kiri and adapt them to the conditions of their respective villages. In addition, it is important to actively involve the community in these programs and conduct regular monitoring and evaluation. The development of village potential through the optimization of village funds can be one of the strategies to achieve sustainable village development. By utilizing existing potential, villages can increase community income, create jobs, and improve the quality of life. This will ultimately contribute to the achievement of national development goals.

Based on interviews with the Head of Sungai Awan Kiri Village, it was found that the Sungai Awan Kiri village administration has a strategy in implementing its program, namely:

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a. Focusing on Developing Village Potential: This strategy involves identifying potential villages that can be developed, such as the agriculture, fisheries, and tourism sectors. Economic empowerment programs are then designed to support the development of these potentials.
b. Actively Involving the Community: Communities are involved in the planning, implementation, and monitoring of economic empowerment programs. This aims to increase the community's ownership of the program and ensure that the program meets their needs.
c. Establishing Cooperation with Private Parties: Cooperation with the private sector is carried out to open market access for village products, increase human resource capacity, and support infrastructure development.

The results of these strategies show that the optimization of the Village Fund in Sungai Awan Kiri Village has produced positive results. Community income has increased significantly, the village has become more developed, and the community has become more prosperous. The case study of Sungai Awan Kiri Village shows that the optimization of the Village Fund can be an effective strategy for community economic empowerment in remote villages. The strategy used in Sungai Awan Kiri can be replicated in other villages by taking into account the conditions and potential of each village. Here are some key points that can be learned from the Sungai Awan Kiri Village case study:

a. The importance of identifying and developing existing village potential.
b. Actively involve the community in economic empowerment programs.
c. Establish cooperation with the private sector to improve market access, human resource capacity, and infrastructure.
d. Conduct regular monitoring and evaluation to ensure the program runs effectively and efficiently.

By implementing these strategies, villages in Indonesia can improve the welfare of their communities and achieve sustainable village development.

CONCLUSIONS

Based on interviews and data analysis, the use of Village Funds in Sungai Awan Kiri Village for community economic empowerment is classified as effective. This is indicated by several indicators, namely:

a. Increased community income: Community income in Sungai Awan Kiri Village has increased significantly after the implementation of economic empowerment programs.

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This shows that the programs have succeeded in increasing the productivity and added value of the economic sectors in the village.

b. Improvement in the community's standard of living: The standard of living in Sungai Awan Kiri Village has also improved. This can be seen from the reduction in poverty, increased access to education and health, and improved village infrastructure.
c. Increased village independence: Sungai Awan Kiri Village has become more independent and no longer relies on assistance from the central government. This shows that the village has successfully developed its own economic potential.

SUGGESTIONS

Based on the discussion regarding the effectiveness of the use of Village Funds for community economic empowerment in Sungai Awan Kiri Village, the following suggestions can be made for future program optimization:

a. Diversification of economic empowerment programs: In addition to focusing on the agriculture, fisheries, and tourism sectors, it is necessary to consider developing empowerment programs in other sectors that are in line with the potential of the village. For example, the handicraft sector, home industries, or maintenance services.
b. Increased innovation and utilization of technology: Encourage the development of innovation and utilization of technology in empowerment programs. This can include the use of modern agricultural technology, fish farming with biofloc systems, or the utilization of digital platforms for marketing village products.
c. Strengthening the sustainability program: In addition to the current economic improvement, it is necessary to ensure that the empowerment program has a sustainability aspect. This can be done with environmental management programs, development of renewable energy sources, or financial education programs for the community.
d. Inter-village collaboration: Sungai Awan Kiri Village can collaborate with neighboring villages to support each other's empowerment programs. For example, villages that have tourism potential can collaborate with villages that have craftsmen to offer complete tour packages.
e. Continuous monitoring and evaluation: Conduct regular and continuous monitoring and evaluation of the program. The results of the evaluation can be used to improve the program in the future so that it becomes more effective and targeted.

By implementing these suggestions, it is hoped that the optimization of the Village Fund in Sungai Awan Kiri Village can continue to be improved. The resulting economic

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empowerment program not only has an impact on improving the welfare of the community today, but also has a sustainability aspect for the future.

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