


Review of the Utilization of Palm Oil Revenue Sharing Funds for Fiscal Year 2024 on the Resilience of the Sei Dadap District, Asahan Regency

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ABSTRACT

This study aims to examine the Review of the Utilization of Palm Oil Revenue Sharing Funds for the 2024 Fiscal Year on the Resilience of the Sei Dadap District, Asahan Regency. This research approach is qualitative, aiming to gain an in-depth understanding of the use of Palm Oil Revenue Sharing Fund (DBH) for the 2024 Fiscal Year on regional resilience in Sei Dadap District, Asahan Regency. The location of the research was carried out in Sei Dadap District, Asahan Regency. Qualitative research data collection techniques rely on field data through interactive methods that allow direct interaction with data sources. Research Results To increase the effectiveness of DBH utilization, it is recommended that efforts be made to increase transparency, strengthen community participation in decision-making, and increase the capacity of human resources. Continuous monitoring and evaluation are also important to ensure that the use of funds is in accordance with the needs and expectations of the community. Thus, the utilization of the Palm Oil Revenue Sharing Fund in Sei Dadap District not only focuses on improving the economy, but also has a wide impact on social resilience and infrastructure, all of which contribute to the sustainable development of the region. Synergistic efforts between the government, the community, and the private sector are needed to continue to improve the results of DBH utilization for community welfare and better regional resilience in the future.

Keyword : Utilization of Palm Oil Revenue Sharing Fund, Regional Resilience and Sei Dadap District, Asahan Regency

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1. INTRODUCTION

The Revenue Sharing Fund (DBH) is a form of fiscal transfer from the central government to regions that have the potential for natural resources, including palm oil. DBH aims to compensate for natural resources extracted from the region and use them for development that improves the welfare of local communities. Asahan Regency, especially Sei Dadap District, has great potential in oil palm production, so it gets DBH Palm Oil from the central government. The 2024 Fiscal Year provides an opportunity for the Sei Dadap District government to utilize this Palm Oil DBH in strengthening regional resilience, which includes economic, social, and infrastructure resilience. Regional resilience is a concept that includes the ability of regions to survive and develop in the midst of various challenges, both in terms of economy, social, and environment. The proper use of Palm Oil DBH is expected to be able to support regional resilience by improving public infrastructure, creating jobs, and encouraging local economic growth. However, the effectiveness of the use of these funds requires good planning and supervision, so that the allocation of funds can touch the sectors that are the priority needs of the people of Sei Dadap. The use of DBH Sawit can provide significant benefits in maintaining the stability and development of the Sei Dadap District area. This funding has the potential to improve public facilities, improve the quality of infrastructure, and create jobs that ultimately strengthen the community's economic resilience. However, the use of these funds requires optimal planning and supervision in order to achieve sustainable development goals. According to Government Regulation Number 38 of 2023 concerning the Oil Palm Plantation Revenue Sharing Fund, the Revenue Sharing Fund, hereinafter abbreviated as DBH, is part of a transfer to the regions that is allocated based on a percentage of certain revenues in the state revenue and expenditure budget and certain performance, which is distributed to producing regions with the aim of reducing fiscal inequality between the government and regions, and to other non-producing regions in order to overcome externalities that have a negative impact and/or increase equity in one region. The Oil Palm Plantation Revenue Sharing Fund, hereinafter referred to as DBH Saw, is a

DBH allocated based on a percentage of revenue from export duties and levies on palm oil, crude palm oil, and/or its derivative products. Then according to Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, DBH is part of the Transfer to Regions which is allocated based on a percentage of certain revenues in the State Budget and certain performance, which is distributed to producing regions with the aim of reducing fiscal inequality between the Government and Regions, as well as to other non-producing regions in order to overcome negative externalities and/or increase equality in one region.

In the 2024 Fiscal Year, Sei Dadap District focuses on the use of DBH Sawit to support regional resilience, especially in improving public infrastructure, empowering the community's economy, and improving social services. The successful use of DBH Palm is expected not only to improve the economic condition of the community, but also to strengthen social and infrastructure resilience which is important for the stability and sustainability of this region.



Figure 1.1 Technical Guidance on Oil Palm Plantation Profit Sharing Fund Policy

Regulation of the Minister of Finance Number 91 of 2023 concerning the Management of Oil Palm Plantation Profit Sharing Funds, the use of Palm Oil DBH for: Construction and maintenance of road infrastructure of at least 80% of the Provincial/City Regency Palm Oil DBH allocation. The Regional Head prepares the Draft Activity and Budgeting (RKP) for the Palm Oil DBH, and discusses it with Ministries/Institutions. The RKP DBH Palm which was discussed with the Ministry of Institutions is one of the requirements for distributing DBH Palm Oil. Through the policy of Government Regulation Number 38 of 2023 concerning the Oil Palm Plantation Profit Sharing Fund. The Indonesian government aims to reduce fiscal inequality and externalities that have a negative impact on the economic activities of oil palm plantations. Therefore, the Government regulates and determines the type of oil palm plantation profit sharing. The consideration of oil palm DBH also refers to Article 123 paragraph (4) of Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments in order to stipulate Government Regulation on Oil Palm Plantation Profit Sharing Funds. In addition, the consideration given also takes into account Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia.

DBH Palm Oil is part of the transfer to regions that is allocated based on a percentage of certain revenues in the state revenue and expenditure budget and certain performance, the funds distributed to these producing regions, aim to reduce fiscal inequality between the government and the regions, as well as to other non-producing regions in order to overcome externalities that bring negative impacts and/or increase equity in one region. Palm oil DBH is sourced from the allocation of a percentage of revenue from export duties and export levies on palm oil, crude palm oil (CPO), and/or its derivative products. The use of palm oil DBH through the Design of Activities and Budgeting of Oil Palm Plantation Profit Sharing Fund, hereinafter referred to as the RKP DBH Palm Oil. The palm oil DBH RKP is an activity plan and budgeting that can be financed by the palm oil DBH in accordance with the provisions of regional laws and regulations in the current fiscal year. Through Transfer to Regions (TKD), funds sourced from

the State Revenue and Expenditure Budget (APBN) are allocated and channeled to the regions to be managed in order to fund the implementation of government affairs that are the authority of the regions. He explained, palm oil DBH is part of the TKD and comes from state revenue from Export Duty (BK) imposed on saït, crude palm oil, and/or its derivative products based on the Ministerial Regulation on the determination of export duty rates and export levies imposed on palm oil, crude palm oil, and/or their derivative products based on the Ministerial Regulation on the determination of export levy rates. The Palm Oil Revenue Sharing Fund is obtained from 2 (two) sources of revenue, namely through export duties and export levies, which are imposed on palm oil, crude palm oil, and/or its derivative products. The percentage of distribution of palm oil DBH to Provincial Governments, producing local governments, and non-producing local governments includes: the province concerned 20%, the producing regency/city 60%, the regency/city directly adjacent to the producing regency/city 20%.

2. LETERATURE REVIEW

Concept of Profit Sharing Fund (DBH)

The Revenue Sharing Fund (DBH) is a form of fiscal transfer from the central government to local governments based on the potential of natural resources owned by the region, including oil palm. According to Mardiasmo (2019), DBH is part of regional revenue provided to compensate for exploited resources, so that the benefits can be returned to the communities of the producing areas. This is supported by the opinion of Mahmudi (2010), who stated that DBH aims to create a financial balance between the central and regional governments, as well as an incentive for producing regions to maximize the potential of their resources in a sustainable manner. In Indonesia, DBH has an important role in regional development. Fadilah (2020) said that DBH from the plantation sector, such as palm oil, is very important for regions that depend on natural resources for their economies. Through DBH, producing regions can obtain additional funds that are used to strengthen the local economy, improve infrastructure, and improve the quality of life of the community.

Utilization of Palm Oil Revenue Sharing Funds for Regional Resilience

Regional resilience includes a region's ability to survive and thrive amid a variety of challenges, including social, economic, and environmental challenges. According to Pendit (2015), regional resilience is highly dependent on infrastructure readiness, economic welfare, and community social resilience. Regional resilience is becoming more important in areas with high natural resource potential, as dependence on natural resources can be a risk to long-term stability. Regarding the use of DBH, Arsyad (2017) said that the use of these funds must be focused on efforts to strengthen regional resilience through infrastructure improvements, improving community welfare, and maintaining the environment. In the context of palm oil, producing regions must allocate DBH for basic needs that can improve the quality of life of the community, such as road access, education, health, and housing.

Effectiveness of Palm Oil DBH Utilization in the Economic Sector

The influence of DBH on the regional economy has been extensively researched. According to Kuncoro (2013), the effective use of DBH can increase economic productivity, especially if the funds are used to strengthen local infrastructure. Good infrastructure plays an important role in supporting community mobility and economic activity, which in turn contributes to regional income. In addition, Setyowati (2018) revealed that DBH that is appropriately allocated to the economic sector has the potential to encourage the creation of new jobs, especially in related industries, such as the processing of oil palm plantation products. In a social context, regional resilience includes the ability of communities to face and overcome various social challenges, such as poverty, unemployment, and social inequality. According to Suharto (2016), DBH directed to social programs and public services can strengthen the social resilience of the community. Funding in social sectors such as education and health improves people's quality of life, which plays an important role in building resilient and self-reliant communities.

3. METHOD APPROACH

This research approach is qualitative, aiming to gain an in-depth understanding of the use of Palm Oil Revenue Sharing Fund (DBH) for the 2024 Fiscal Year on regional resilience in Sei Dadap District, Asahan Regency. According to Moleong (2017), a qualitative approach is suitable for understanding

social phenomena in depth because it can dig up data based on the perspective of the research subject. This approach allows researchers to explore the views, experiences, and perceptions of stakeholders on DBH management in building regional resilience from economic, social, and infrastructure aspects.

The location of the research was carried out in Sei Dadap District, Asahan Regency. The selection of this location is based on the characteristics of the region that is the main producer of palm oil and a significant recipient of the Profit Sharing Fund.

The data collection technique in this study follows the guidelines put forward by Sugiyono (2016), which states that qualitative research relies on field data through interactive methods that allow direct interaction with data sources.

1. **In-Depth Interviews:** Interviews are conducted with relevant officials, community leaders, and residents to reveal their perceptions and experiences on the utilization of Palm Oil DBH. These interviews are conducted in a semi-structured manner to facilitate deeper information extraction, as revealed by Creswell (2013), who suggests a semi-structured approach in qualitative research to understand the local context in depth.
2. **Field Observation:** Observations were made to see firsthand the impact of DBH utilization in Sei Dadap District, such as infrastructure development, social services, and economic facilities. Miles and Huberman (1994) suggest field observation to ensure that qualitative data can be captured from concrete realities in the field.

The qualitative data analysis technique used in this study follows an interactive model from Miles and Huberman (2014), which includes the following stages:

3. **Data Reduction:** Data obtained from interviews, observations, and documents are summarized and focused on points relevant to DBH utilization and regional resilience.
4. **Data Presentation:** Summarized data is presented in the form of narratives, tables, or graphs to provide a clear picture of the findings.
5. **Conclusion:** After the data were presented, the researcher drew conclusions about the influence of the use of Palm Oil DBH on regional resilience in Sei Dadap, especially on economic, social, and infrastructure resilience. This conclusion is drawn repeatedly to ensure the consistency of the data obtained.

4. RESULTS AND DISCUSSION

Utilization of Palm Oil Revenue Sharing Funds for Fiscal Year 2024 Sei Dadap District

The utilization of Palm Oil Revenue Sharing Funds (DBH) for the 2024 Fiscal Year in Sei Dadap District, Asahan Regency, focuses on efforts to increase regional resilience. From the results of the research, it was found that the allocation of this fund was directed to several main sectors, namely infrastructure, education, health, and community empowerment programs. Infrastructure funds allocated for the construction and repair of infrastructure, such as roads, bridges, and public facilities, are essential to support community accessibility and mobility. The observation results show that the improvement of main roads and environmental roads in Sei Dadap District has improved connectivity between villages and cities, which has a positive impact on local economic activities. Education part of DBH is used to support educational facilities, such as the repair of school buildings and the provision of learning facilities. Scholarship programs are also implemented to help children from underprivileged families. Data collected through interviews with schools shows that the improvement of educational facilities has contributed to an increase in student participation and the quality of education.

Health fund allocation for the health sector includes improving health facilities, providing medicines, and public health programs. The use of DBH for health programs has proven to be effective in improving health services in the community, as expressed by residents who feel improvements in access to health services and health counseling. Community Empowerment Community empowerment programs are also the main focus in the use of DBH. Training and skill development activities for the community, especially in the processing of palm oil products, have helped increase the income and economic independence of the local community.

The impact on the resilience of the area of DBH Palm oil utilization has a significant impact on regional resilience in Sei Dadap District. Based on data analysis, this impact can be seen from the following aspects: Economic Resilience With the improvement of infrastructure and empowerment programs, people become more able to develop businesses and participate in local economic activities. Data shows an increase in people's income due to better access to markets and new business

opportunities. Social Resilience Improving education and health facilities contributes to improving the quality of life of the community. The community has become more aware of the importance of education and health, which has an impact on improving social welfare. The results of interviews with community leaders show that the programs implemented have increased social cohesion and citizen participation in community activities. Infrastructure Resilience Infrastructure repair and development funded by DBH Sawit has increased infrastructure resilience in Sei Dadap District. Better access to public facilities and basic services reduces people's vulnerability to disasters and increases regional competitiveness. The results of observations show that people are now easier in their daily activities, and accessibility to public services is getting better.

Challenges and Obstacles in the Utilization of DBH in Sei Dadap District

Although the use of Palm Oil DBH shows a positive impact, there are several challenges and obstacles faced, including: Transparency and Accountability There are still issues related to transparency and accountability in DBH management. Some communities expressed a lack of information about the allocation and use of funds, which could reduce public trust in the government. Community participation in the planning and implementation process of the program is still limited. This results in some programs not fully in accordance with the needs of the community. Interviews with residents showed that more dialogue and community involvement in decision-making was needed. Limited Resources The limitations of human and financial resources in the implementation of programs funded by DBH are also an obstacle. Local officials acknowledged that a lack of training and technical capacity could affect the effectiveness of the program.

Based on the results of the analysis and discussion, several recommendations to increase the utilization of Palm Oil DBH in Sei Dadap District are as follows: Increasing Transparency and Participation Encouraging transparency in DBH management by providing clear and open information to the public. In addition, increasing community participation in the program planning and evaluation process to ensure their needs are accommodated. Strengthening the Capacity of Human Resources Conduct training and capacity building for local government officials and the community to be able to manage and utilize DBH more effectively. Monitoring and Evaluation Build an effective monitoring and evaluation system to measure the impact of DBH utilization on a regular basis, so that adjustments can be made if necessary. The utilization of the Palm Oil Revenue Sharing Fund for the 2024 Fiscal Year in Sei Dadap District, Asahan Regency, makes a significant contribution to regional resilience. The proper allocation of funds and focus on critical sectors such as infrastructure, education, health, and community empowerment have had a positive impact on improving the quality of life of the community. However, challenges in transparency, participation, and resources still need to be overcome so that the use of DBH can be more optimal and sustainable.

The following is an analysis of the effectiveness of the use of Palm Oil Profit Sharing Funds (DBH) in improving economic, social, and infrastructure resilience in Sei Dadap District:

1. Economic Resilience

- a. Increase in Community Income The use of DBH Palm Oil for economic empowerment programs, such as skills training and business capital assistance, has contributed to an increase in community income. People who initially relied on traditional jobs began to switch to more productive micro, small, and medium enterprises (MSMEs).
 - b. Access to the Market Infrastructure improvements, such as roads and transportation, increase people's access to the market. This makes it easier for farmers and business actors to sell their products, which in turn increases income and business sustainability.
 - c. Improving Business Quality With the support of DBH, many business actors can improve product quality through training and access to technology. This has a positive impact on the competitiveness of local products in the market.
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2. Social Resilience

- a. Improving Education and Health DBH allocation for the education and health sectors has increased public access to basic services. The construction and improvement of educational facilities, such as schools and health centers, contribute to improving the quality of life of the community.
- b. Community Awareness and Participation Programs funded by DBH also increase public awareness of the importance of education and health. Community participation in social and development activities is also increasing, creating stronger social bonds.
- c. Community empowerment Community empowerment initiatives, such as study groups and posyandu, provide a space for the community to actively contribute to decision-making, which strengthens social engagement and solidarity among citizens.

3. Infrastructure Resilience

- a. Improvement of Public Facilities The use of DBH for infrastructure development, such as roads, bridges, and public facilities, has increased the resilience of infrastructure in Sei Dadap District. Better roads allow for more efficient transportation, which has a positive impact on the distribution of goods and services.
- b. Disaster Resilience With better infrastructure, communities become more resilient to disasters, such as floods and landslides. Improvement of drainage channels and construction of disaster-resistant structures contribute to community safety.
- c. Improvement of Basic Services Improved infrastructure also supports the provision of basic services, such as clean water and sanitation. Improving access to these services is critical to public health and disease risk reduction.

5. CONCLUSION

Based on the analysis and discussion that has been carried out in this study, it can be concluded that the utilization of the Palm Oil Revenue Sharing Fund (DBH) for the 2024 Fiscal Year in Sei Dadap District, Asahan Regency, makes a significant contribution to regional resilience. Here are the main concluding points:

The use of DBH Sawit has increased the economic resilience of the community in Sei Dadap District through increased income, empowerment of MSMEs, and better access to the market. The economic empowerment programs funded by DBH have succeeded in improving the quality of community businesses, which contributes to local economic growth. The allocation of funds for the education and health sectors shows a positive impact in improving the quality of life of the community. The improvement of education and health facilities has increased people's access to basic services, as well as created awareness of the importance of education and health, which ultimately strengthens solidarity and social participation.

The use of DBH for infrastructure development, such as roads, bridges, and public facilities, has increased the resilience of infrastructure in the region. Better accessibility contributes to community mobility, supports economic growth, and increases resilience to disasters. Although the use of DBH has shown positive results, there are still challenges, such as lack of transparency in fund management, limited community participation in the planning process, and limited human and financial resources. This requires further attention from local governments and other stakeholders.

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