

Factors Influencing the Southeast Sulawesi Provincial Government's Infrastructure Planning and Budgeting Policies During the Covid-19 Pandemic

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Abstract

The Covid-19 pandemic has been declared a non-natural national disaster. The Southeast Sulawesi Provincial Government has made efforts to deal with Covid-19, namely by carrying out refocusing activities. Therefore, this study aims to analyze the factors that influence the infrastructure planning and budgeting policies of the Southeast Sulawesi Provincial Government during the Covid-19 pandemic. This research uses a descriptive qualitative method with a case study approach in the Provincial Government of Southeast Sulawesi. The results of this study found that the factors that influenced the implementation of planning and budgeting policies during the Covid-19 pandemic in Southeast Sulawesi Province are the poor communication within the organization of the Southeast Sulawesi Provincial Government, human resources in implementing policies, and the limited budget. From this study it was concluded that good communication had not been established within the Southeast Sulawesi Provincial Government organization, there were limitations in terms of implementers in the Southeast Sulawesi Provincial Government and resources in planning and budgeting during the Covid-19 pandemic, a limited budget, so they have to make choices about priority programs and activities and have not yet created a special planning and budgeting team during the Covid-19 pandemic.

Keywords: *Planning and budgeting, Refocusing, Reallocation, Covid-19 pandemic*

INTRODUCTION

Law Number 24 of 2007 concerning disaster management explains the definition of a disaster, namely an event or series of events that threatens and disrupts people's lives and livelihoods caused, both by natural factors and/or non-natural factors as well as human factors resulting in human casualties, environmental damage, property loss, and psychological impact. The spread of Corona Virus Disease-19 (Covid-19) originating from Wuhan, China, in early 2020 had an impact on public health throughout the world, including in Indonesia. The President of the Republic of Indonesia, Joko Widodo, declared the outbreak of the Covid-19 pandemic in Indonesian territory which was categorized as a non-natural disaster as a national disaster.

In efforts to overcome the impact of this pandemic, it requires cooperation and synergy with the national government through Ministries/Agencies and Regional Governments. The decree also mandates governors, regents and mayors as Chairs of the Task Force for the Acceleration of Handling the Corona Virus Disease 2019 (Covid-19) and in establishing and implementing policies in their respective regions while still being guided by the rules set by the Government. In handling the Covid-19 pandemic, the government needs to consider budgetary capacity as a part of the general policy components of state defense as stipulated in the Presidential Regulation of the Republic of Indonesia Number 7 of 2008 concerning the General Policy of National Defense. This is done bearing in mind the need for a defense budget allocation that adjusts the ratio of needs to continue to guarantee national stability and security.

The Covid-19 pandemic also had an impact on the economic sector, namely slowing down the pace of economic growth in Southeast Sulawesi Province. Data from the RKPD Changes in Southeast Sulawesi Province in 2020 indicate that the economy of Southeast

Sulawesi Province only grew by 4.4% in the first quarter of 2020. With this information it was found that the economic growth of Southeast Sulawesi Province in the first quarter of 2020 was slower when compared to economic growth in the fourth quarter of 2019, with a growth of 6.9%. As shown in the graph below, the economic development of Southeast Sulawesi Province slowed down in the second quarter of 2020, in line with the national-scale economic slowdown.

The Provincial Government of Southeast Sulawesi as part of the Government of Indonesia also plays a role in achieving national goals and protecting its citizens from the threat of the COVID-19 pandemic. Based on the results of a regional capacity review in Dzakwan (2020), Southeast Sulawesi Province is in quadrant I, which means that the number of potential patients is greater than the capacity of referral hospitals, which are limited in number and do not have adequate budget support. This condition has resulted in Southeast Sulawesi Province being very vulnerable in handling the Covid-19 pandemic, so it requires special attention and support for increasing hospital capacity in the form of facilities and infrastructure and budget.

For this reason, in handling the Covid-19 pandemic, the Provincial Government of Southeast Sulawesi has made efforts to refocus activities and reallocate the budget in accordance with Presidential Instruction No. 4 of 2020 concerning Refocusing Activities, Reallocating Budgets, and Procurement of Goods and Services in the Context of Accelerating Handling of Corona Virus Disease 2019 (Covid-19). Budgeting policy instruments are the main and important thing in dealing with the impact of the Covid-19 pandemic, because the APBD is a product of planning and budgeting policies that aim to maintain economic stability.

The consequence of the presidential instruction above is that the Southeast Sulawesi Province made changes to the Regional Government Work Plan (RKPD) and Regional Revenue and Expenditure Budget (APBD) documents that had been previously planned and determined. Refocusing activities and reallocating government budgets was diverted to prioritize efforts to address health, manage economic impacts and social safety nets, which were carried out based on the mandate of Government Regulation in Lieu of Law Number 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling Corona Virus Disease 2019 (Covid-19) Pandemic and/or in the Context of Dealing with Threats that Endanger the National Economy and/or Financial System Stability, which has been passed into Law Number 2 of 2020.

Several infrastructure development activities in Southeast Sulawesi Province are experiencing refocusing in 2020. However, considering the importance of infrastructure development as explained in the research of Suriani and Cut Nanda Keusuma (2005), who argued about the benefits and importance of infrastructure development, which can affect economic and social growth, it is necessary to make policies in terms of planning and budgeting.

Refocusing activities and reallocating the budget are a response to the changes that have occurred as a result of the spread of the COVID-19 pandemic. The limited budget they have has forced the Southeast Sulawesi Provincial Government to make choices through funding and budgeting policies. The bridge infrastructure construction activities reallocated budget from IDR 48,750,000,000 to IDR 35,425,712,250 (-27.33%) stipulated in Southeast Sulawesi Governor Regulation Number 4 of 2020 concerning the Revised APBD of Southeast Sulawesi Province for the 2020 Fiscal Year.

This is done in order for reduce the budget, namely to rationalize spending on goods/services, especially for infrastructure development which is still felt to be possible to postpone the implementation of construction this year and re-budget the following year (Decree of the Minister of Home Affairs Number 119/2813/SJ of 2020 concerning Acceleration of Revenue Budget Adjustments and 2020 Regional Expenditures in the Context of Handling Corona Virus Disease 2019 (Covid-19), as well as Safeguarding People's

Purchasing Power and the National Economy). Seeing these problems, it is important to conduct this research to find out the factors that influence the infrastructure planning and budgeting policies of the Southeast Sulawesi Provincial Government during the Covid-19 pandemic.

RESEARCH METHODS

This research was conducted using a descriptive qualitative method with a case study approach in the Provincial Government of Southeast Sulawesi. Sugiyono (2013) states that research conducted in natural conditions is qualitative research. Qualitative methods were originally used in research conducted by cultural anthropology researchers, so they are also known as ethnographic methods that use and analyze qualitative data. The researcher described/described in depth analyzing the factors that influenced the infrastructure planning and budgeting policies of the Southeast Sulawesi Provincial Government during the COVID-19 pandemic. This approach is used to understand a situation or thing in its context, articulate it, and build a deeper meaning (Yusuf, 2014). The subject of this research is the Regional Apparatus Organization in Southeast Sulawesi Province which is related to infrastructure planning and budgeting policies during the Covid-19 pandemic, which is the object of this research.

RESULT AND DISCUSSION

The province of Southeast Sulawesi with the capital Kendari is a land area and islands that are elongated from north to south. The astronomical location of Southeast Sulawesi Province is between 02°45'-06°15' South Latitude and stretches from West to East between 120°45'-124°45' East Longitude with an area of 38,067.7 km². Administratively, the province of Southeast Sulawesi has an area of 38,067.7 km², which is divided into 17 regions and cities. The Provincial Government of Southeast Sulawesi in the process of compiling development plans has carried out according to the mandate contained in Law Number 25 of 2004 concerning the National Development Planning System and Law Number 23 of 2014 concerning Regional Government, which mandates that regions are obliged to carry out the preparation of regional development plans between other:

- a. The preparation of the Regional Long Term Development Plan (RPJPD) is carried out based on the National Long Term Development Plan (RPJPN) and the regional spatial layout plan. The RPJPD is an elaboration of the vision, mission, policy directions and main targets for regional development. The RPJPD is prepared for the long term of 20 (twenty) years and is guided by the formulation of the vision, mission and programs prepared by regional head candidates.
- b. The Regional Medium-Term Development Plan (RPJMD) contains an elaboration of the regional head's vision, mission and programs which are indicative for a period of 5 (five) years. The RPJMD contains goals, objectives, strategies, policy directions, regional development and regional finances whose formulation is guided by the RPJPD and RPJMN and serves as an evaluation instrument for the implementation of regional governance.
- c. The RKPD is prepared by elaborating the RPJMD, which contains a 1 (one) year draft for the economic framework, development priorities, as well as work plans and regional funding. The preparation of the RKPD is carried out by referring to the Government Work Plan (RKP) and the national strategic program. Regional heads in preparing the APBD General Policy (KUA) and Priority Temporary Budget Ceiling (PPAS) are guided by the RKPD.

The handling of the Covid-19 pandemic in Southeast Sulawesi Province has been carried out in accordance with Presidential Instruction Number 4 of 2020 concerning Refocusing Activities, Reallocating Budgets, and Procurement of Goods and Services in the Context of Accelerating Handling of Corona Virus Disease 2019 (Covid-19). For this reason, based on the Regulation of the Minister of Home Affairs Number 86 of 2017 concerning Procedures for Planning, Control and Evaluation of Regional Development, Procedures for Evaluating Draft Regional Regulations Concerning Regional Long-Term Development Plans and Regional Medium-Term Development Plans, as well as Procedures for Changing Long-Term Development Plans Regional, Regional Medium-Term Development Plans and Regional Government Work Plans, the Southeast Sulawesi Provincial Government made changes to the 2020 RKPD. This action was taken as a follow-up to the results of evaluating the implementation of the 2020 RKPD in the current year. The results of the assessment found that there was a discrepancy between development planning when compared to the current conditions caused by the Covid-19 pandemic.

Planning and financing in handling the Covid-19 pandemic in Southeast Sulawesi Province is used to fund the implementation of local government programs and activities as a step to accelerate the handling of the pandemic through regional apparatus organizations that are within the scope of the regional government and through the formation of task units carried out by the regional government. Factors influencing the implementation of planning and budgeting policies during the Covid-19 pandemic in Southeast Sulawesi Province, namely during the planning and budgeting process, technical Regional Apparatus Organizations (OPD) that were not directly involved in handling the pandemic were not taken into account by the Regional Government Budget Team (TAPD) by only looking at programs and activities that are the focus of handling the pandemic. This is due to the lack of good communication between OPD and TAPD because the time given is quite short to revise the budget so efforts need to be made in accordance with regulations that are in accordance with the use of the budget during the Covid-19 pandemic while still being able to carry out the regional development mandates that have been set forth in the annual and five-year planning documents.

The budget shifts carried out are intended so that development projects that have been delayed in implementation can be resumed, this is in accordance with the provisions in the Regulation of the Minister of Home Affairs Number 39 of 2020 concerning Prioritizing Budget Allocations for Certain Activities, Changes in Allocations, and Use of Regional Revenue and Expenditure Budgets, for can make adjustments to APBD allocations through changes to regional head regulations. This is done, among others, to continue to carry out program planning and activities formulated in the previous year which are also activities that can support logistics distribution and population mobility in handling a pandemic and avoid losses that can be borne by the provider if the work is not completed on time.

The implementation of infrastructure planning and budgeting policies during the Covid-19 pandemic in Southeast Sulawesi Province was carried out based on guidelines from the Government by taking into account regional financial conditions, as follows:

- a. Refocusing activities and reallocating the budget have been carried out by taking into account and guided by Presidential Instruction Number 4 of 2020. The shifting of the budget continues to pay attention to indirect capital expenditure in handling a pandemic, which supports the distribution of assistance in handling a pandemic.
- b. The budget allocation for handling the pandemic has been carried out by referring to Minister of Home Affairs Regulation Number 39 of 2020 for financial policy by taking into account the extent to which work is carried out, so that it becomes a priority for financing and pays attention to priorities in handling a pandemic.
- c. Changes to planning and budgeting are still being carried out in accordance with the procedures for changing regional development plans, taking into account and guided

by Government Regulation Number 17 of 2017, to make changes and adjustments to development planning documents by making changes to regional development priorities.

The regulations above are the basis for regional governments to be able to optimally shift budgets towards priority spending on goods/services, in this case the construction of bridge infrastructure as a means of community mobilization and assistance to be distributed as well as providing other economic impacts to the community. However, in the field there is a lack of coordination and the short amount of time allotted for refocusing activities and reallocating the budget so that the Regional Government, in this case the TAPD, directly cuts the budget in each OPD. The time given is 7 (seven) days from the issuance of Instruction of the Minister of Home Affairs Number 1 of 2020 concerning Prevention of the Spread and Acceleration of Handling of Corona Virus Disease 2019 in Local Government Environments April 2, 2020.

Limitations faced by the implementation of infrastructure planning and budgeting policies during the Covid-19 pandemic faced by the Provincial Government of Southeast Sulawesi, namely limited budget and time in handling the pandemic, so choices must be made regarding priority infrastructure development that supports handling of the pandemic by shifting the APBD for the 2020 Fiscal Year requires good coordination between regional apparatus organizations given the dynamics that occur. The regional development planning document is a unit of development planning document made within a certain period of time (twenty years, five years and one year) in accordance with Law Number 25 of 2004 concerning the National Development Planning System, which contains four approaches in the development planning process, namely political process, participatory, bottom-up process, and top-down. The four approaches to the development planning process have their own characteristics, which are intended to make development more inclusive.

The planning document has adjusted to the priorities of the Government and aligned with the vision and mission, which are a summary of the goals to be achieved within a certain period of time. However, in implementing policies according to Edward III, an analysis of the factors that influence the implementation of planning and budgeting policies during the Covid-19 pandemic can be described as follows:

a. Communication

In the implementation of planning and budgeting policies there has not been good communication within the Southeast Sulawesi Provincial Government organization, so that as policy actors they cannot prepare for the implementation of planning and budgeting policies.

b. Resources

The resources needed in planning and budgeting during the Covid-19 pandemic include human resources, budgetary resources, equipment resources (facilities) and information and authority resources.

1) Human resources

Limitations in terms of policy implementers. In the Southeast Sulawesi Provincial Government to know the essence or importance of infrastructure development in a relatively short time for handling a pandemic and the long-term impact on improving the community's economy.

2) Budgeting

Southeast Sulawesi Province has a limited budget, so it must make choices about priority programs and activities.

3) Facility

Planning and budgeting have been supported by the Regional Financial Management Information System and the Planning Regional Management Information System,

which make it easier for regions to carry out planning and budgeting following the authority.

4) Information and authority

The authority possessed by the regional government to do the budget reallocation as regulated in Permendagri 13 of 2006.

c. Disposition

Implementation of planning and budgeting policies during the Covid-19 pandemic based on Presidential Instruction Number 4 of 2020 must be carried out by all ministries/agencies and local governments. In implementing it, the Provincial Government of Southeast Sulawesi has the will, desire and inclination to implement this policy in a serious and timely manner in implementing the policy of refocusing activities and reallocating the budget.

d. Bureaucratic structure

The bureaucratic structure owned by the Southeast Sulawesi Provincial Government has been able to implement planning and budgeting policies during the Covid-19 pandemic quite well. The authority for infrastructure development has been exercised by the OPD of the Water Resources and Highways Service, the planning authority by the Development Planning Agency, and the financial authority by the Regional Financial and Asset Management Agency.

CONCLUSION

Factors that influenced infrastructure planning and budgeting policies during the Covid-19 pandemic in Southeast Sulawesi Province included there has not been good communication in the implementation of planning and budgeting policies within the Southeast Sulawesi Provincial Government organization, limitations in terms of implementers in the Southeast Sulawesi Provincial Government to know the essence or importance of infrastructure development, which does not only play a role in handling a pandemic, but also has a long-term impact on improving the community's economy, limited budgetary resources ; in planning and budgeting during the Covid-19 pandemic, Southeast Sulawesi Province had a limited budget, so it had to make choices about priority programs and activities, and the Provincial Government of Southeast Sulawesi, in refocusing activities and reallocating the budget, has not created a special team for planning and budgeting during the Covid-19 pandemic so that good communication and coordination can be established. SOPs for the mechanism for refocusing activities and budget reallocation have also not been carried out so that they cannot be carried out effectively.

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