



## Formation of a Special Work Unit for the Optimization of Regional Asset Utilization in the Provincial Government of DKI Jakarta (Case Study: Jakarta Asset Management Center)

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How to cite: Wellyani, Lutfi, A. (2024) Formation of a Special Work Unit for the Optimization of Regional Asset Utilization in the Provincial Government of DKI Jakarta (Case Study: Jakarta Asset Management Center). *Administratio: Jurnal Ilmiah Administrasi Publik dan Pembangunan*, 15(2)

### Article History

Received: 15 September 2024

Accepted: 26 November 2024

### Keywords:

Utilization of Assets  
Local Revenue  
Regional Assets

### ABSTRACT

*This research was conducted to analyze the establishment of a special task unit aimed at optimizing regional assets in a professional manner within the DKI Jakarta Provincial Government. The push from the Ministry of Home Affairs to optimize the utilization of Local Assets (BMD) in order to increase local revenue has provided new momentum for this. As a result, the DKI Jakarta Provincial Government restructured the organization and working procedures within the Regional Asset Management Agency (BPAD) by establishing the Jakarta Asset Management Center Management Unit (UP JAMC) based on the Governor's Regulation No. 57 of 2022. UP JAMC is a Regional Public Service Agency (BLUD) established in 2022. The aim of this research is to determine whether the establishment of UP JAMC can increase local revenue derived from the utilization of BMD. This research was carried out using a qualitative descriptive method by collecting data from interviews with key informants, the official website of the DKI Jakarta provincial government, and other supporting documents. The results of this research conclude that, by analyzing the trends in local revenue realization derived from BMD utilization for the period of 2019-2023, it is evident that there has been an increase in local revenue since the establishment of the special task unit managing the utilization of BMD in the DKI Jakarta Provincial Government.*

### ABSTRAK

Penelitian ini dilakukan untuk menganalisis pembentukan unit kerja khusus dalam rangka mengoptimalkan barang milik daerah secara profesional di Pemerintah Provinsi DKI Jakarta. Dorongan dari Kementerian Dalam Negeri agar mengoptimalkan pemanfaatan BMD dalam rangka meningkatkan pendapatan asli daerah memberikan semangat baru untuk itu Pemerintah Provinsi DKI Jakarta melakukan restrukturisasi Organisasi dan Tata Kerja di Badan Pengelolaan Aset Daerah (BPAD) Provinsi DKI Jakarta dengan membentuk Unit Pengelola Jakarta

### Kata Kunci:

Pemanfaatan BMD  
Pendapatan Asli Daerah  
Barang Milik Daerah

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*Aset Management Center (UP JAMC)* berdasarkan Peraturan Gubernur Nomor 57 Tahun 2022. UP JAMC merupakan Badan Layanan Umum Daerah (BLUD) yang dibentuk pada tahun 2022. Tujuan Penelitian ini untuk mengetahui apakah dengan pembentukan UP JAMC ini dapat meningkatkan pendapatan asli daerah yang berasal dari pemanfaatan BMD. Penelitian ini dilakukan menggunakan metode deskriptif kualitatif dengan mengumpulkan data dari wawancara dengan informan kunci, situs web pemerintah provinsi DKI Jakarta dan dokumen pendukung lainnya. Hasil Penelitian ini menyimpulkan bahwa dengan menggunakan tren realisasi pendapatan asli daerah yang berasal dari pemanfaatan BMD periode 2019-2023 dapat diketahui terdapat peningkatan realisasi pendapatan asli daerah sejak dibentuknya unit kerja khusus yang mengelola pemanfaatan BMD di Pemerintah Provinsi DKI Jakarta.

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## A. INTRODUCTION

The issue of inventorying Local Assets (BMD) in the DKI Jakarta Provincial Government often becomes a recurring finding by the Audit Board of the Republic of Indonesia (BPK RI) Representative of Jakarta Province. This is due to the fact that BMD management has not yet been fully conducted in an orderly manner. One of the issues in BMD management is the limited utilization of BMD that is not being used or optimized for government operations, which should actually be seen as an opportunity for the DKI Jakarta Provincial Government to optimize local revenue.

The large number of BMD owned by the DKI Jakarta Provincial Government has the potential to create issues in BMD utilization. Issues in BMD utilization, as presented in a webinar by the Directorate General of Regional Financial Management of the Ministry of Home Affairs on the topic of Optimizing BMD Utilization to Increase Local Revenue (PAD), are as follows:

1. BMD data that has not been presented in an orderly and adequate manner by Regional Government Organizations (OPD) as users of assets and by the Regional Asset Management Officers (PPAD) as asset managers.
2. BMD managers who do not yet have adequate capacity.
3. Implementation of BMD utilization that does not comply with regulations or policies.
4. Idle BMD that has not been optimized to increase local revenue.
5. BMD that is controlled or utilized by other parties in a manner that does not comply with statutory regulations.

To address the issues related to local assets (BMD) mentioned above, it is hoped that the local government can expedite their resolution as an initial step toward optimizing local revenue. This aligns with efforts to improve regional capabilities and autonomy in local government administration. Enhancing regional capabilities in optimizing BMD utilization can contribute to the success of development initiatives and improve public services. This is because local revenue (PAD) is directly received by the region and is used for development and the welfare of the community.

Based on the audit results of the Financial Statements of the DKI Jakarta Provincial Government (LKPD) by BPK RI over the fiscal years 2018-2022, the findings are presented in the table below:

Audit Results BPK RI 2018-2022

Tahun	2018	2019	2020	2021	2022
Opini	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion

Source: bpk.jakarta.go.id

The table above shows that during the 2018-2022 fiscal years, the Financial Statements of the Jakarta Provincial Government received an Unqualified Opinion (WTP) from the Jakarta Representative of BPK RI. Despite receiving the WTP opinion, BPK highlighted several notes regarding BMD (Regional Government-Owned Assets) management, specifically in asset administration and fixed asset recording practices.

An article published by *Republika* on February 9, 2022, titled "Kemendagri Dorong Optimalisasi Pemanfaatan Barang Milik Daerah" (The Ministry of Home Affairs Encourages the Optimization of Local Assets) mentioned that the Ministry of Home Affairs (Kemendagri) has issued various policies regulating the management of regional assets. Kemendagri stated that optimizing the utilization of regional assets can enhance development success and improve public services. By optimizing asset utilization, local governments can accelerate the resolution of issues related to asset management, leading to an increase in regional original revenue, thus strengthening local financial capacity and independence.

To support the Ministry of Home Affairs' appeal and provide professional asset utilization services, Jakarta Province restructured the organization and functions of the Regional Asset Management Agency to support the financial management in the asset subsector. This restructuring was implemented through Jakarta Governor's Regulation No. 57 of 2022 concerning the Organization and Work Procedures of the Regional Asset Management Agency. This regulation establishes the Technical Management Unit (UPT) Jakarta Management Center Unit (UP JAMC), responsible for carrying out operational activities related to optimizing the commercial utilization of regional assets, managing assets, consulting on asset resolution, recommending Building Use Rights (HGB) on Managed Land Rights (HPL), infrastructure utilization, operational partnerships, advertisement management, and other asset optimizations.

According to Kaganova and Kopanyi (2014), steps to optimize BMD management include identifying problems, designating responsible personnel or officials for BMD management, forming a special working unit, and creating an action plan to prioritize tasks in managing BMD.

The concept of entrepreneurial bureaucracy or infusing entrepreneurship within the structure of local government bureaucracy, was first introduced by David Osborne and Ted Gaebler in 1993 in their book "Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector". Initially intended as a guide for finding solutions within the U.S. government in 1993, the book emerged when the federal government faced substantial challenges in handling all national activities and needs. Despite receiving some skepticism, Osborne and Gaebler's ideas brought fresh energy to the federal government's approach to overcoming challenges at that time.

In the Reinventing Government theory by David Osborne and Ted Gaebler (1993), one principle is "earning better than spending" meaning that generating revenue is preferable to merely spending, which is central to transforming government into a more efficient and responsive entity. Osborne and Gaebler emphasize the importance of a more market-oriented government, where the government not only acts as a service provider but also as a facilitator and catalyst for innovation and efficiency. The government should focus on increasing revenue by optimizing the management of government-owned assets (BMD), improving tax collection efficiency, and developing strategic public-private partnerships.

The "earning better than spending" principle calls for the government to think like entrepreneurs, using available resources optimally to create added value. For instance, unused or underutilized public assets can be leased or sold to generate additional revenue. Moreover, the government should implement policies that foster economic growth and create jobs, which will ultimately lead to increased tax revenue and other local income sources. Additionally, Osborne and Gaebler (1993) underscore the importance of spending efficiency. The government must ensure that every expenditure provides maximum benefit to the public, creating a balanced approach that emphasizes revenue growth and spending efficiency, resulting in a strong government that can adapt to and respond to the changing needs of the public.

Considering several factual challenges faced by the Provincial Government of DKI Jakarta, researchers find it necessary and important to analyze the efforts undertaken by the DKI Jakarta Government to optimize the utilization of regional assets by establishing a special unit, UP JAMC, dedicated to the utilization of regional assets to increase local revenue. This approach is based on the conceptual problem of managing local assets, as outlined by Olga Kaganova and Mihaly Kopanyi (2014), which is considered relevant to the asset management conditions in DKI Jakarta. It is hoped that, if efforts to utilize regional assets such as land and buildings in the form of leases can be optimized, this approach will contribute to an increase in local revenue.

## **B. LITERATURE REVIEW**

### **Assets Management**

According to Kaganova and Kopanyi (2014), asset management is the process of decision-making and its implementation concerning the operation, maintenance, repair, acquisition, or development of physical assets in a cost-effective manner with the aim of providing the best possible services to the public. Kaganova and Kopanyi (2014) further state that asset management implies the strategic management of physical assets throughout their life cycle. This life cycle refers to the planning, creation, acquisition, use, management of facility maintenance, and disposal when they are no longer in use. Managing assets throughout their entire life cycle is crucial for local governments.

To enhance asset management, Kaganova and Kopanyi (2014) outline the following key areas:

- a. Identification of Problems and Areas Needing Improvement,  
this step involves identifying problems and areas that require improvement. The assessment is conducted by adding recommendations on ways to achieve these improvements. External experts are needed to collaborate with those knowledgeable within the local government. For instance, energy efficiency audits are a new and effective instrument for improving asset management.
- b. Focal person  
This focal person plays a key role in coordinating and ensuring that all aspects of asset management, including inventory, maintenance, operation, and utilization of assets, are carried out in accordance with established policies and procedures. They are also responsible for ensuring that asset-related information is properly managed and reported transparently.
- c. Task force  
This involves establishing a specialized task force dedicated to asset management.
- d. Action plan  
In implementing the action plan, it is important to identify priorities and adopt a clear course of action. The established team must operate according to a set of specific priorities

determined based on assessment recommendations. Additionally, the team should act decisively in accordance with the action plan. In executing this action plan, Kaganova (2008) outlined initial steps adopted from the city of Croatia, which include the following: (1) Introduction of information systems at every level of property, (2) Addressing issues during transition periods, (3) Property classification, (4) Property and business valuation, (5) Operational reporting for income-generating properties or portfolios, (6) Intensive financial analysis of portfolios, properties, and projects, (7) Policy reduction to enhance property leasing practices, (8) Quantification and monitoring of direct and indirect property-related subsidies received by tenants, (9) Property reporting, (10) Management consolidation, (11) Comprehensive asset management planning.

According to Siregar (2004), an asset is defined as a item with economic value, sale value, or exchange value owned by a business entity, institution, or individual. Assets are categorized into two types: tangible and intangible. Regional assets come in various forms, each requiring different understanding and approaches. To achieve effective asset management, it is necessary to classify assets based on their types. According to Kaganova and Kopanyi (2014), asset classification includes five forms:

1. By material form: This classification distinguishes between physical (tangible) and non-physical (intangible) assets. Physical assets, often referred to as fixed assets, include real estate (land and buildings), infrastructure, equipment, and vehicles. Non-physical assets encompass investments, company shares, bonds, securities, and cash. Physical assets can be understood as resources that can be owned, controlled, and used to generate economic value or exchanged for money by the local government.
2. By ownership: This classification identifies who owns the assets. Ownership can be held by the local government, the central government, or through partnerships with private entities.
3. By function: Assets are categorized based on their use, such as for social purposes (healthcare, education, and culture), infrastructure, vacant land, or income-generating assets.
4. By service responsibility: This includes primary assets and supplementary assets owned by the local government.
5. By legal limitations: This classification differentiates assets based on legal constraints imposed by the local government. It distinguishes between public domain assets, which are owned, controlled, and used by the government, and private domain assets, which are acquired by private entities through purchase and collaboration with the government.

In this research, the researcher uses the theory of Managing Local Assets by Kaganova and Kopanyi (2014) by examining the efforts made by the Jakarta Provincial Government in establishing a special work unit to optimize the utilization of regional assets. Furthermore, no previous research has explored efforts to optimize the utilization of regional government assets in the Jakarta Provincial Government using the Managing Local Assets concept according to Kaganova and Kopanyi (2014). Therefore, the study on the formation of a special work unit aimed at optimizing the use of regional government assets in the Jakarta Provincial Government is considered to have novelty compared to previous research.

Local governments, through their regional work units as asset managers and users, are mandated to ensure the effective management of local assets (Kaganova et al., 2001). This management encompasses various processes, including planning and budgeting, procurement, utilization, security and maintenance, valuation, transfer, disposal, removal, administration, development, supervision, and control (Burdescu, et al., 2010). In work units that follow a regional public service agency financial model, local asset management also involves compensation and sanctions. Ngwira (2015) said that Strategic oversight measures are



necessary for effective governance, though these may not directly influence the financial performance of local governments (Giglio et al., 2018). The provision of public services is extensive, covering varied areas, infrastructure, and interests, requiring the government to exercise authority in deciding asset management approaches (Nateque, 2014).

In asset management, need for improvements in asset management and the implementation of asset empowerment strategies by: (a) involving third parties to reduce or eliminate asset maintenance costs while simultaneously increasing regional revenue; (b) establishing cooperation in asset management (Wiwin W, Tri R, 2020). It can be concluded that entrepreneurial skills are needed among officials and employees who manage regional assets, so that asset management can be carried out in a creative, innovative way, and can adapt to the dynamic changes in the environment. To increase Local Revenue (PAD) from the contribution of regional assets, the establishment of a Validation and Asset Empowerment Team/Task Force is necessary. And also important for local government to increase the publication of regional assets to attract the interest of tenants to rent regional assets for business activities and the need to intensify and extend new sources from land and building assets to increase local revenue (Soewanto Adhi, 2016).

There is an indirect effect of asset inventory, asset usage, and asset security and maintenance on asset optimization through asset utilization, where asset security and maintenance have a significant and positive effect, while asset inventory and asset usage do not affect asset optimization. The direct effect of asset inventory, asset usage, asset security, and maintenance on asset optimization shows that asset inventory and asset security have a significant and positive effect on asset optimization, while asset usage does not affect asset optimization. In addition, asset utilization has a significant and positive effect on asset optimization (Arif Wicaksana et al., 2021).

The implementation of regional asset management policies still faces several issues, including the unmet regional asset needs despite planning and budgeting activities being carried out, regional assets that are not returned by officials whose terms have ended, and regional assets that lack proof of ownership, (R. Mochamad Guntur et al., 2021). Shayne Kavanagh (2021), local governments can create new value for the community and increase new revenue by thinking entrepreneurially, which involves maximizing tangible and intangible assets through innovation and risk management. Leveraging competitive strength can drive innovation and implement new ideas.

According to Jim (2007), asset management can be defined as a strategy of continuous process improvement to enhance the availability, security, reliability, and longevity of assets, which consist of systems, facilities, equipment, and processes. Summerell (2005) suggests that by implementing asset management processes, local governments can improve the effectiveness and efficiency of service delivery to the public.

Jim's and Summerell's perspectives on asset management are valuable for organizations focused on improving operational qualities, such as availability and reliability, but are less comprehensive and strategic. Kaganova and Kopanyi's model, however, offers a broader and more sustainable approach, focusing on life-cycle management, cost-effectiveness, and public service outcomes. For local governments, adopting Kaganova and Kopanyi's framework would likely yield better long-term benefits, ensuring that asset management aligns more closely with public sector needs and sustainability objectives.

## C. METHOD

This study uses a qualitative method aimed at explaining the improvement of the management of regional assets in the DKI Jakarta Provincial Government. The research began in April 2024 and will continue until October 2024, focusing on the establishment of a special task unit to optimize the utilization of regional assets (BMD) conducted by UP JAMC during

the 2022-2023 period. Interviews were conducted as the primary data source to obtain relevant information on the research topic from key informants, and secondary data sources, such as documentary studies, were used to confirm the data and supporting information. Based on Miles et al. (2014), the collected data will be analyzed using triangulation, which considers both the sources of data and the methods. From the perspective of data sources, triangulation involves seeking the truth of information by reviewing various data sources. The data collected from different sources are expected to provide a more comprehensive view of the phenomenon being studied, and subsequently, to draw conclusions.

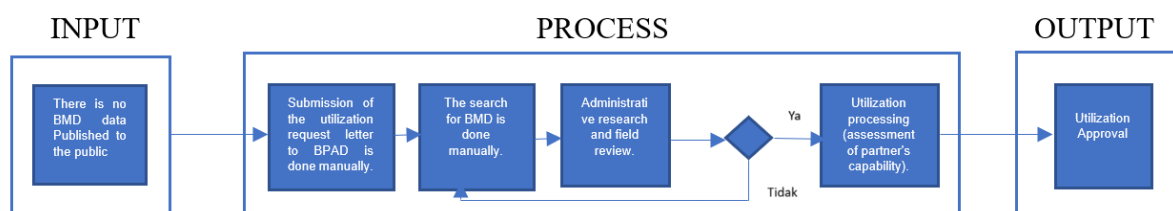
#### **D. RESULT AND DISCUSSION**

Policy is one of the issues in regional asset management. The DKI Jakarta Provincial Regulation Number 17 of 2004 on Regional Goods Management is no longer relevant following the issuance of the Ministry of Home Affairs Regulation Number 19 of 2016 on Guidelines for Regional-Owned Goods Management and the Ministry of Home Affairs Regulation Number 7 of 2024, which amends Regulation Number 19 of 2016 on the same guidelines.

Based on document analysis and interviews with Head of the BPAD Development Subdivision, it was found that during the drafting process of the Regional Regulation (Raperda) on BMD management, the DKI Jakarta Provincial Government still directly adopts policies issued by the Ministry of Home Affairs and those issued by the Governor. This approach is taken to ensure that every BMD management process remains compliant with applicable laws and regulations, thereby reducing the likelihood of issues arising in BMD management.

Before 2022, the implementation of the utilization of regional assets in the form of rentals did not have a dedicated unit but was managed by one of the divisions in BPAD, namely the Division of Asset Development and Utilization. This division had the task and function of formulating policies on comprehensive asset management within the DKI Jakarta Provincial Government and utilizing idle assets. The forms of utilization implemented at that time included leasing, BGS/BSG, lending, and asset utilization cooperation.

Previously, the process for requesting the utilization of regional assets was initiated by partners interested in entering into a utilization agreement. They would submit a proposal for government-owned assets in DKI Jakarta that were not being used by the asset holders. The request letter would then be followed up by checking with the regional asset owner to determine whether the asset could be utilized or not. After this assessment, a meeting would be held to discuss the approval of the request and to calculate the feasibility and market value of the asset if utilized. This calculation was still conducted by public appraisal officials to ensure that the utilization value aligned with market prices. Below is the flow of regional asset utilization before the establishment of the UP JAMC:



Source: BPAD Provinsi DKI Jakarta

Picture 1. Flow of Regional Asset Utilization Before Establishment of the UP JAMC

In the picture 1 above, it can be seen that the utilization process begins with a request letter submitted by the partner to BPAD manually. BPAD then follows up by searching for the BMD mentioned in the request letter and coordinates with the relevant agency to ensure that the BMD

belongs to the Provincial Government of DKI Jakarta and is recorded in the Inventory Card (KIB). Once confirmed, administrative research and field review will be conducted. If approved, the utilization process will continue by assessing the utilization object through a Public Appraiser. After the public appraisal, the rental rate will be confirmed with the tenant regarding their willingness to accept the determined rental rate, and then the utilization approval will be issued.

Based on the analysis and interviews with Secretary of BPAD, it was found that the previous utilization process was passive, as it only awaited request letters from interested partners. This occurred due to the lack of inventory or reports on idle assets that could potentially be optimized and contribute to regional revenue. Idle assets were only identified when a request letter for utilization was submitted by a partner interested in collaborating with the Provincial Government of DKI Jakarta. Subsequently, coordination and confirmation would be made with the relevant SKPD/UKPD regarding the idle assets requested by the partner, followed by a meeting to discuss the process of the utilization cooperation agreement.

In 2022, BPAD of DKI Jakarta responded to the Ministry of Home Affairs' call regarding the issue of increasing PAD (Local Revenue) sourced from the utilization of BMD (Regional Owned Assets) by providing professional asset utilization services while maintaining the best quality, speed, and accuracy. To provide these professional services, BPAD underwent an organizational and work process change to support government functions in the financial sector, particularly related to asset management. This step is regulated by Governor Regulation Number 57 of 2022 on the Organization and Work Procedures of the Regional Asset Management Agency.

Through Governor Regulation Number 57 of 2022, a Technical Implementation Unit (UPT) called the Jakarta Asset Management Center (UP JAMC) was established to manage the optimal operation of BMD utilization. This UPT covers commercial asset utilization, property management, consulting services to provide asset solutions, recommendations for Building Use Rights (HGB) on Land Management Rights (HPL), infrastructure utilization, joint operations, advertisement management, and the optimization of other assets.

With the establishment of UP JAMC, it is expected to improve the efficiency and effectiveness of regional asset utilization comprehensively. This unit allows the Provincial Government of DKI Jakarta to optimize the use of regional assets in various forms, both for commercial purposes and public services. In the process of professional BMD utilization, the initial step taken by the Provincial Government of DKI Jakarta was the creation of a dedicated unit, UP JAMC. As a follow-up to Governor Regulation Number 57 of 2022, the Provincial Government of DKI Jakarta issued Governor's Decree Number 176 of 2022 on the Establishment of the Asset Management Unit as a Regional Public Service Agency (BLUD).

To ensure the availability, accessibility, clarity, fairness, ease, and quality of public services in the Regional Public Service Agency (BLUD), regulations on Minimum Service Standards (SPM) are required. In 2023, Governor Regulation Number 26 of 2023 on Minimum Service Standards for the Asset Management Centre Management Unit was enacted. This regulation aims to improve the quality and ensure the service standards in optimizing the use and utilization of regional assets, provide certainty to service recipients, and increase regional revenue through the optimization of regional asset use and utilization.

The types of services provided by UP JAMC, based on Article 4 of Governor Regulation Number 26 of 2023 on Minimum Service Standards for the Asset Management Centre Management Unit, are outlined through performance indicators, which include input achievement standards, process achievement standards, output achievement standards, and outcome achievement standards.

The Provincial Government of DKI Jakarta has implemented a system for recording regional owned assets in every work unit within the DKI Jakarta Provincial Government. This system



is an application used by asset users in Satuan Kerja Perangkat Daerah/Unit Kerja Perangkat Daerah (SKPD/UKPD) to record regional owned assets that is utilized and controlled by these departments. It is expected to provide valid data on the existence, quantity, and size of assets owned by SKPD/UKPD.

In 2022, the Provincial Government of DKI Jakarta separated idle assets, distinguishing between those already under partnerships and those yet to be utilized, and recorded them in an investment property account. The recording of assets within investment property is managed by the BPAD (Regional Asset Management Agency) of DKI Jakarta as the Goods Manager. Assets included in investment property consist of land and buildings as well as other fixed assets that add value to these assets. The following is a list of investment property assets for the period 2022-2023:

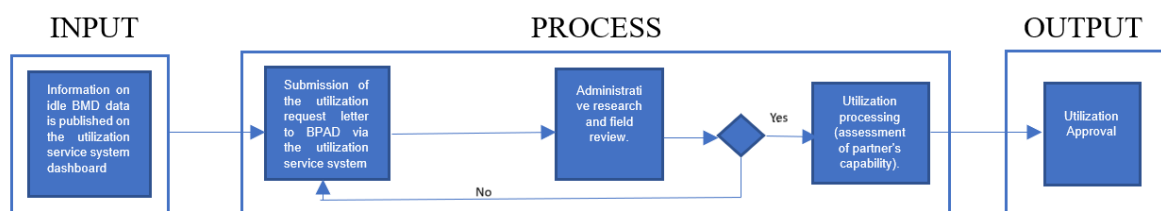
Table 1. Investment Property Asset List (Rp)

Year	2022	2023
Land	1.074.064.778.502	3.367.064.778.502
Building	453.001.505.872	1.542.937.242.079
Other fix assets	0	14.163.299.242.079
Total	1.527.730.959.374	4.924.165.320.404

Source: ppid.jakarta.go.id

Based on table 1 above, the total aset value increased from Rp1.527.730.959.374 in 2022 to Rp4.924.165.320.404 in 2023, an increase of over 220%. This growth suggests substansial investment or revaluation of asset by the DKI Jakarta Provincial Government. The value of land assets from Rp1.074.064.778.502 in 2022 to 3.367.064.778.502 in 2023, marking a 240% increase, this could indicate addition of new government-owned buildings, refurbishment or expansion of existing properties to increase their value and revaluation of building assets to reflect updated standards or market values. The increase in asset value, especially in land and building assets, suggest untapped potential for generating additional revenue. By optimizing these assets through leasing, partnerships or commercialization.

The marked increase in the value of investment property assets from 2022-2023 signal as a major shift in the management and utilization potential of BMD in DKI Jakarta. with a more valuable and diverse asset base, the Provincial Government has significant opportunities to optimize these assets to generate revenue. Through strategic asset management, particularly by leveraging UP JAMC, the government can maximize the benefits of BMD to enhance its financial position and improve services for the public.

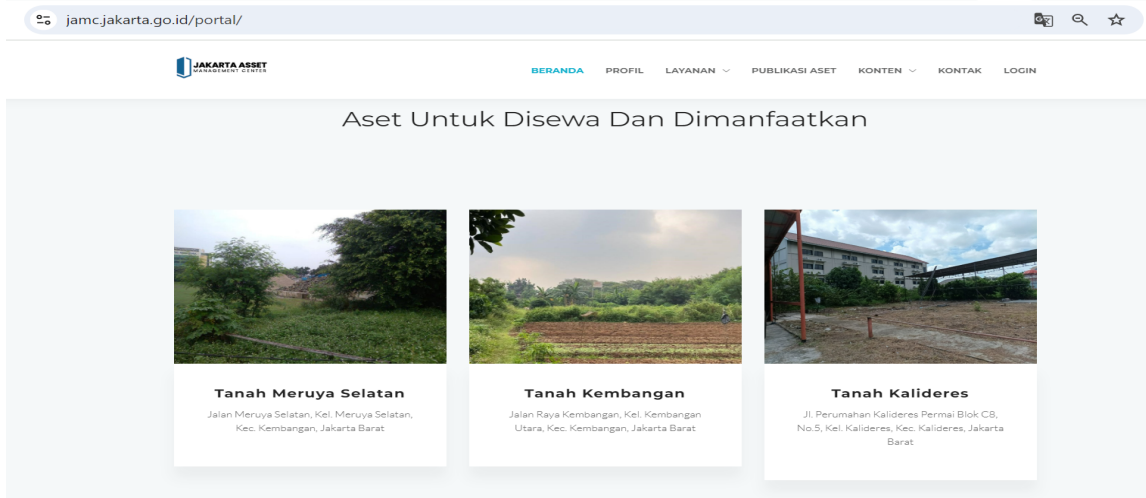


Source: BPAD Provinsi DKI Jakarta

Picture 2. Flow of Regional Asset Utilization After Establishment of the UP JAMC

With the implementation of the Governor's Regulation regulating tariffs for utilization services, it is expected to provide transparent information to partners who will engage in Regional Property utilization agreements. This regulation serves as a guideline for determining the value of utilization services and helps prevent potential errors in calculating the value of these services. In its efforts to increase regional revenue, UP JAMC has attempted to inventory regional assets that can be utilized for public leasing. This is evident from its website as shown

at picture 3 below, where's UP JAMC has started publishing available regional assets for lease, thus attracting multiple potential tenants interested in utilizing these assets.



Source: <https://jamc.jakarta.go.id/portal/>

Picture 3. List Of Regional Asset Available for lease

Optimal utilization of regional assets will contribute to increasing local revenue. Below is the realization of income from the utilization of regional assets during the period 2019-2023:

Table. 2 Realization of Income from the Lease Utilization of Regional Assets

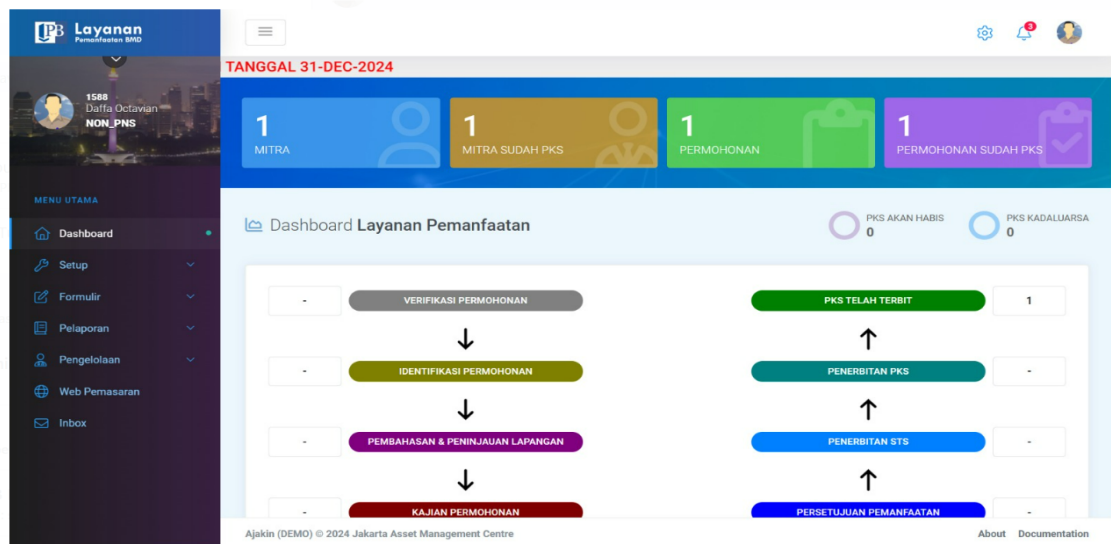
Year	Target	Realization
2019	45.010.000.000	56.296.169.833
2020	75.005.400.000	41.389.078.889
2021	131.247.250.000	58.678.222.231
2022	643.155.000.000	253.237.521.840
2023	330.956.195.962	94.789.704.974

Source: [ppid.jakarta.go.id](https://ppid.jakarta.go.id)

Based on Table 2 above, in 2019, revenue exceeded the target by 25%, indicating strong performance in BMD rental utilization. This high achievement rate may suggest either effective management practices or high demand during this period. In 2022, The actual revenue dropped significantly to 55% of the target, likely due to the economic impact of the COVID-19 pandemic, which affected various sectors, including real estate and asset leases. In 2021, Despite a higher target, realization only reached 45% of the goal, indicating that challenges from 2020 continued to affect performance. The target was raised sharply to Rp643.155.000.000, showing an aggressive push to increase revenue. However, the actual income reached only 39% of this target. While revenue saw a substantial increase compared to prior years, the gap between target and actual results was considerable, possibly due to overly ambitious projections or external constraints in the rental market. And in 2023, The target was adjusted downward from the previous year, aligning closer with past trends, but realization still fell short at 29%. This continued shortfall suggests operational or demand-side limitations affecting BMD rental income, as well as potential delays in cooperation agreements.

Along with the development of information technology, which is widely used to provide services to the public, local governments are required to deliver innovation and creativity in providing transparent information and services to the public across all aspects of public services, including the utilization of Regional-Owned Assets (BMD) in the Provincial Government of DKI Jakarta.

Based on interviews with implementing units at UP JAMC, information was obtained that a system called AJAKIN (Aset Jakarta Inisiasi) has been developed. This system combines utilization and initiation assets and includes a menu for the public to view assets offered for initiation. If the public identifies a location with potential for collaboration, they can submit proposals through the system, which can process them up to the cooperation agreement stage. The following is the display of the system being developed by UP JAMC for the BMD utilization process:



Source: UP JAMC DKI Jakarta

Picture 4. Dashboard AJAKIN System

In this system, it is expected that the BMD utilization process will provide ease for the public, both in identifying which assets are available for collaboration and in tracking the progress of ongoing cooperation agreements. The AJAKIN system will eventually accommodate the entire process up to the cooperation agreement stage. This system will continue to be developed in line with technological advancements and the growing need for transparency in information for the public.

## **E. CONCLUSION**

The DKI Jakarta Provincial Regulation Number 17 of 2004 on Regional Goods Management became outdated following updates in national regulations. In response, the DKI Jakarta Provincial Government directly adopted policies issued by the Ministry of Home Affairs and the Governor to ensure compliance. Before 2022, the utilization of regional assets was managed passively by the Asset Development and Utilization Division under BPAD, with limited focus on optimization. Asset utilization processes relied on partner-initiated proposals, and idle assets were only identified through such requests. This passive approach constrained regional revenue potential. In 2022, Governor Regulation Number 57 of 2022 established the Jakarta Asset Management Center (UP JAMC), a Technical Implementation Unit tasked with optimizing regional asset utilization. UP JAMC introduced professional services for asset management, covering leasing, partnerships, property management, infrastructure utilization, and other strategic activities. This reorganization aimed to improve the efficiency and effectiveness of asset management while supporting revenue growth.

The establishment of UP JAMC marked a significant shift in asset management. The total value of investment property assets increased from Rp1.527.730.959.374 in 2022 to Rp4.924.165.320.404 in 2023, driven by new investments, revaluation, and optimized asset

management. Revenue from asset utilization also showed growth, though realization often fell short of targets. The aggressive revenue goals set in 2022 and 2023 highlighted operational and market challenges, underscoring the need for realistic projections and improved systems. The reforms in DKI Jakarta's regional asset management demonstrate a commitment to modernizing governance, enhancing transparency, and optimizing revenue generation. With the support of UP JAMC, updated policies, and technological advancements, the Provincial Government is positioned to better manage and utilize regional-owned assets, contributing to increased local revenue and improved public services.

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