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# EFFECTIVENESS OF CHEST FREEZER GRANTS FOR PROCESSING AND MARKETING GROUP OF FISHERIES PRODUCTS IN TANAH LAUT REGENCY, INDONESIA

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## **ABSTRACT**

The Government of Tanah Laut Regency through the Food Security and Fisheries Service as a technical agency that handles as well as a supervisory agency in the field of processing marine and fishery products has provided grants for production facilities for processing fishery products in the form of chest freezers with a capacity of 330 L for 12 groups of fishery product processors and marketers. The aim of this research is to analyze the effectiveness of granting chest freezers to processors and marketers of fishery products in Tanah Laut Regency.

## **KEY WORDS**

Chest freezer, grants, effectiveness, Tanah Laut.

The fisheries sector in Tanah Laut as an area directly adjacent to the sea is of course rich in marine potential, this is indicated by the amount of production of marine products, especially fish. Fish production from marine waters in 2021 is 59,964 tons. While production from public waters amounted to 4,581.1 tons, this is a potential raw material for fishery product processing businesses. Processing of fishery products with the main products being salted/dried fish, fish/shrimp crackers, and fish gizzards is carried out individually and in groups (BPS, 2020). The Covid-19 pandemic has had an impact on the maritime and fishery sector, mainly related to the issue of food safety, thereby increasing the demands of the public as consumers for fishery products to be of high quality and safe for consumption. Meanwhile, business actors in the marine and fisheries sector are experiencing problems in the availability of facilities to produce quality products (Nurhayati et al. 2020).

The reduced space for people to move around in carrying out their daily activities has an impact on the fishery product processing industry where they are unable to market their processed products, the level of consumption has also decreased due to restrictions on social activities (Bubun et al. 2022). Kusmita et al. (2021) In efforts to deal with this problem. intervention from the government is needed as an effort to overcome the impact of declining economic activities of business actors in the marine and fisheries sector, especially for marine and fishery product processing groups because this can improve the quality of processed marine and fishery product production, increase production capacity and added value of competitive products. This condition is also experienced by fishery product processing business actors in Tanah Laut Regency, where there are many micro and medium small businesses engaged in fishery product processing business. To increase and sustain the production of processing fishery products with limited budgets in 2021 and 2022, the Government of Tanah Laut Regency through the Food and Fisheries Security Service as a technical agency that handles as well as a supervisory agency in the field of processing marine and fisheries products has provided grants for processing production facilities fishery products in the form of chest freezers with a capacity of 330 L for 12 groups of fishery product processors and marketers.

The results of identifying potential recipients and prospective grant recipient locations taking into account regional finances budgeted at the Food Security and Fisheries Service, the processing equipment that can be provided is in the form of a chest freezer. A chest freezer is a cooling machine or freezer that functions to store food and drinks at cold temperatures. Usually the function of this refrigeration machine is to store fresh meat, food,

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fruit and vegetables. A chest freezer is a machine that is needed by the fishery/marine product processing industry to store raw materials in the form of fish/shrimp and to maintain the durability of these raw materials so that they last longer and can be used again in the future because fish is an easy food ingredient. damaged (perishable food) therefore once the fish is caught, the handling process to maintain its freshness must be carried out immediately. Problems that often arise when assistance has been received such as errors in the specifications of the goods received, electrical power that does not support, equipment cannot function. These problems make the provision of equipment assistance ineffective in its utilization by fishery product processing groups (Kurniawan, 2008). The aim of this research is to analyze the effectiveness of granting chest freezers to processors and marketers of fishery products in Tanah Laut Regency.

#### MATERIALS AND METHODS OF RESEARCH

The research was conducted in Tanah Laut District in 3 different sub-districts, namely Penypatan, Bumi Makmur and Bati-Bati. Respondents who were used as primary data sources were Poklahsar administrators and members who were registered in the SK Recipients of fishery product processing equipment grants in 2021 and 2022. In this study the population observed totaled 118 people involving 3 sub-districts, namely Penypatan District (10 fishery product processing groups), Bumi Makmur District (1 fishery product processing group), and Bati-Bati District (1 fishery product processing group).

The data analysis technique used in this research is descriptive analysis. namely analyzing the mechanism for providing processing equipment (chest freezer) at the Food Security and Fisheries Office of Tanah Laut Regency. namely by identifying the mechanism for granting grants to community groups in Tanah Laut Regency which refers to Tanah Laut Regent Regulation Number 28 of 2021. The effectiveness of providing processing production facilities (*chest freezers*) in increasing and sustaining fishery product processing production for grant recipients *scoring* method. In the questions in the questionnaire, alternative answers were made for each item, tiered answers starting from the lowest level with a score of 1 and the highest level with a score of 4, namely scoring with Criteria 4 Very appropriate, 3 appropriate, 2 less appropriate, 1 not suitable with the following formulation:

$$\mbox{Achievement percentage} = \frac{\Sigma \mbox{sji realization}}{\Sigma \mbox{sji target}} \; x \; 100\%$$

Where: i = realization to I; j = target to j.

Determination of the effectiveness of government assistance is determined by standardization measures. The criteria for standardizing the effectiveness of government assistance are as follows:

Table 1 – Effectiveness Criteria

Effectiveness Percentage	Criteria
100 %	Very effective
90 % – <100 %	Effective
80 % - < 90 %	Effective enough
60 % - < 80 %	Less effective
< 60 %	Ineffective

Source: Kepmendagri No. 690,900.32 in Suriadi et al (2019).

## RESULTS AND DISCUSSION

Chest freezer grants in Tanah District involving 3 subdistricts, namely Penyipatan District (10 fishery product processing groups), Bumi Makmur District (1 fishery product processing group), and Bati-Bati District (1 fishery product processing group). In general, the mechanism for providing processing equipment, such as *chest freezers*, by the Food

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Security and Fisheries Service of Tanah Laut Regency refers to the procedures or steps taken to provide the equipment to those who need it.

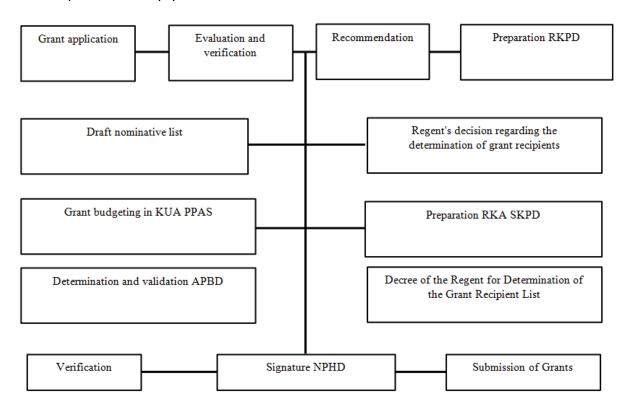


Figure 1 – Delivery Mechanism of Chest freezer Processing Equipment

The results of the chest freezer administration mechanism are as follows:

- The grant application is proposed by the Poklahsar in writing to the Regent C.q. Head of the Food Security and Fisheries Office of Tanah Laut Regency, which is signed and stamped by the chairman, secretary and treasurer and known by the local village head. The proposal document is accompanied by a Letter of Approval or Determination of Poklahsar, a certificate of domicile from the local village, a photocopy of a valid identity card in the name of the chairperson, secretary and treasurer. The proposed documents include the background, objectives, names and types of materials or equipment proposed, the minutes of the formation of the Poklahsar and a statement of ability to manage the grant items. The proposed chest freezer is proposed by the Poklahsar a year before the current budget year and no later than during the previous year's Musrenbang;
- Proposal was submitted directly by the Poklahsar to the Food and Fisheries Security Service one year before the fiscal year;
- Evaluation and Verification is carried out by the Evaluation and Verification Team formed by the Food and Fisheries Security Service. This team is tasked with evaluating the legitimacy and completeness of grant requirements on application letters, proposals, administrative requirements and field verification. The evaluation and verification team came from across related technical sectors such as the Head of the Regional Secretariat's Welfare Section, the Cooperatives and UKM Office and the Food Security and Fisheries Service. Of the 12 Poklahsar who submitted applications for grants received by the Food and Fisheries Security Service after evaluating the proposal documents, all proposals met administrative requirements, namely; the group has been established for at least 2 years as evidenced by the minutes of group establishment which are known by the village head and local field extension officers, have a management structure, are included in the Poklahsar Determination Letter stipulated by the Tanah Laut District Food Security and Fisheries Service, have not

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received assistance as proposed from other SKPD. Field verification is carried out to ensure the activities of the Poklahsar and to collect supporting data and information to determine the types and specifications of grants to be awarded. It is at this stage that the evaluation and verification team must be extremely careful in assessing the Poklahsar proposal with the conditions in the field. At this stage, the poklahsar is also asked to convey verbally and in writing for readiness to manage and maintain the facility and infrastructure grants provided and if in the future based on an evaluation it is found that the grant assistance provided is not properly managed and maintained, the poklahsar will receive sanctions from the grantor. This evaluation and verification activity is carried out for 3 (three) days, namely 1 day of administrative evaluation and 2 days of field verification or depending on the number of proposed documents received;

- During the field verification stage, the evaluation and verification team did not conduct field visits to all Poklahsar potential recipients of grants. This certainly greatly influenced the determination of the amount and type of grants needed by the Poklahsar. but other supporting equipment;
- Recommendations are the result of evaluation and verification carried out by the Evaluation and Verification Team formed by the Head of the Food and Fisheries Security Service, in the recommendations signed by the Head of Service it states the number of Poklahsar candidates who will receive grants, number of grant units, type or specification facility and infrastructure grants that will be provided, the preparation of these recommendations is carried out through an evaluation and verification team meeting for 1 day which recommends for grant recipients in 2021 a total of 2 Poklahsar and in 2022 a total of 10 Poklahsar, the type of assistance changes to chest freezers with a minimum capacity of 300 L, 1 (one) Poklahsar will receive 1 chest freezer. This recommendation was decided by considering (1) the capacity of the regional financial budget allocated to the Department of Food Security and Fisheries, (2) chest freezers are production facilities that are indispensable for each Poklahsar to store raw materials or processed products to maintain product quality and food safety, (3) while for a minimum capacity of 300 L in accordance with the 2020 Technical Guidelines for Distribution of Government Assistance for Processing Equipment Facilities from the Directorate General of PDSPKP, Ministry of Maritime Affairs and Fisheries of the Republic of Indonesia;
- The preparation of the Draft Nominative List of Prospective Grant Recipients (DNC-PH) is carried out by the Regional Government Budget Team or what is called TAPD. This team is led by the Regional Secretary whose members consist of Planning Officers (BAPPEDA), Regional Financial Management Officers (BPKAD) and Regional Supervisory Officials (Inspectorate). Compilation of a draft nominative list of potential grantees according to the allocation of grant spending listed in the RKPD that has been prepared by BAPPEDA based on the recommendation of the Head of the Food and Fisheries Security Service for granting chest freezers to groups of fishery product processors and marketers (Poklahsar);
- Based on the recommendations from the Food Security and Fisheries Service as stated in the RKPD, the District Head issues a District Head Decree regarding the determination of chest freezer grant recipients. To issue a district head's decision, it takes up to 10 to 20 working days. This is due to the bureaucratic process in the local government;
- The Regent's approval of the application for a chest freezer grant as stated in the nominative list of potential grantees becomes the basis for including the grant budget allocation in the KUA-PPAS draft. Sea with the Food and Fisheries Security Service accompanied by TAPD;
- The results of the discussion meeting on the draft KUA-PPAS, one of which was the chest freezer grant, were included in the Preparation of the SKPD Budget Work Plan (RKA-SKPD) of the Food Security and Fisheries Service;

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- The RKA-SKPD which has been made the basis for grant budgeting in the Tanah Laut Regency APBD which was ratified through the DPRD plenary meeting with the Regent and became the DPA-SKPD in accordance with statutory provisions. The DPA-SKPD contains the name of the recipient, the address of the recipient and the amount of the allocation as well as the type of grant to be given. The DPA-SKPD is the basis for implementing the chest freezer grant budget by the Food Security and Fisheries Service of Tanah Laut Regency;
- As a basis for distribution/delivery of chest freezer grants, the Regent determines a list of grantees along with the amount of money or types of goods donated by the Regent's Decree concerning Determination of the Grant Recipient List;
- Prior to the distribution/submission of chest freezer grants, the Food and Fisheries Security Service verifies the completeness and validity of the disbursement document files;
- The distribution/delivery of grants from the Regional Government to grant recipients is carried out after the preparation and signing of the NPHD (Regional Grant Agreement Manuscript) signed by the Head of the Food Security and Fisheries Office with grant recipients;
- Based on the administrative requirements for the disbursement submitted by the grant recipients and the results of the research on the completeness of the documents, the Head of the Food Security Service conducts the disbursement/submission of chest freezer grants.

Target Realization Program Effectiveness Nο Indicator Percentage (%) The type of chest freezer you received 87.50% Effective enough 472 413 Chest freezer according to the allotment fee 472 464 98.31% Effective The chest freezer received is in accordance with the place of business 472 472 100% Very effective 472 The chest freezer received is in accordance with its quality 472 100% Very effective Chest freezers received are in accordance with the processing time 99.15% Effective 472 468 Chest freezers are accepted according to their type 472 416 88.14% Effective enough The chest freezer that is accepted is in accordance with the ability / electric power 472 466 98.73% Effective Chest freezer received as planned/used 98.52% Effective Chest freezer delivery mechanism 472 337 71.40% Less effective The need for a chest freezer is in accordance with the group deliberations 100% Very effective 94.17% Effective Amount

Table 2 – Effectiveness of giving grants (chest freezer)

Source: Primary data, 2023.

According to Piola et al., (2022) the impact of the MSME assistance program for processing and marketing fishery products in increasing production and income during the Covid-19 pandemic shows that the implementation of this program is carried out through facilitation in increasing capacity and strengthening institutions through outreach, training and mentoring. In addition, POKLAHSAR also receives funding through the BLM scheme. This research is a benchmark in implementing assistance programs for MSMEs under the Department of Fisheries and Maritime Affairs. Government policy and PUMP-P2HP through the MSME assistance program for processing and marketing fishery products in increasing production, is one of the government programs in the fishing industry sector which has a positive impact and is successful in slowly recovering the micro MSME economy, this condition makes POKLAHSAR as an MSME actor start to be able to adapt and be able to survive in the midst of a pandemic with various efforts to change and continue to innovate.

The effectiveness of grants (*chest freezers*) in increasing and sustaining fishery product processing production for grant recipients in Tanah Laut District involving 3 Districts namely Penyipatan District (10 fishery product processing groups), Bumi Makmur District (1 fishery product processing group), and Bati-Bati District (1 fishery product processing group), with a total of 118 respondents.

The results of the analysis of the effectiveness of giving grants (*chest freezers*) in 3 Tanah Laut Districts, namely Penyipatan District (10 fishery product processing groups), Bumi Makmur District (1 fishery product processing group), and Bati-Bati District (1 fishery product processing group). Of the 10 effectiveness indicators, 3 indicators are very effective, 6 indicators are effective and 1 indicator is effective. The effectiveness indicator is that the

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type of *chest freezer* you received obtained a value of 87.50% (effective enough), *the chest freezer* according to the designated cost obtained a value of 98.31% (effective), *the chest freezer* received is in accordance with the place of business obtained a value of 100 % (very effective), *Chest freezers* received according to the quality obtained a value of 100% (very effective), *Chest freezers* received according to the processing time / period obtained a value of 99.15% (effective), *Chest freezers* received according to the type obtained a value 88.14% (quite effective), *Chest freezers* ordered according to ability/purchasing power obtained a value of 98.73% (effective), Mechanism of giving *chest freezers* obtained a value of 71.40% (less effective) and The need for *a chest freezer* is in accordance with deliberation group 100% (very effective). The average value of the effectiveness of giving grants (*chest freezer*) in Tanah Laut District which involved 12 grant recipient groups was 94.17%, which means that grant assistance was given effectively to fish processing groups.

According to Mardiasmo (2009) effectiveness is a measure of the success or failure of a goal being achieved. Effectiveness is the relationship between output and goals or objectives to be achieved. Operational activities are said to be effective if the process of activities achieves the goals and objectives of the policy. running its business, namely *chest freezer*. So that group members can maximize their ability to develop existing potential with the assistance that has been received, then the hopes of each group member to increase their production capacity can be achieved so as to increase the income of all fish processing group members. This is in line with the theory put forward by (Wiyasha, 2007) the greater the value of the product contribution generated towards achieving these goals, it can be said that the more effective the assistance grants are given.

According to Hanafiah *et al* (2017) The use of *chest freezers* in processing fishery products can increase the added value of the product. With a *chest freezer*, fishery products such as fish can be preserved effectively, extend shelf life and maintain quality. This opens opportunities for market expansion and increases income for fishery business actors. Providing *chest freezers* can help reduce losses that may occur due to damage or spoilage of fishery products (Mardika, 2015). *Chest freezers* can help maintain the quality of fishery products produced. The fast and optimal cooling process in *the chest freezer* can maintain the integrity of the fish cell structure, maintain freshness, and reduce the risk of damaging bacteria or microorganism growth. Thus, the quality of fishery products can be well maintained (Wayan *et al.*, 2016).

#### CONCLUSION

The effectiveness of giving grants (chest freezers) to processing and marketing groups of fishery products in Tanah Laut Regency can be concluded that:

- The mechanism for granting chest freezer grants to Poklahsar is in accordance with Tanah Laut Regent Regulation Number 20 of 2021, but at the stage of field evaluation and verification, the evaluation and verification team needs to be careful in assessing and determining the amount and type of grant items to be given, determining the amount and the type of grant is not only seen from the contents of the proposal submitted but field visits must be carried out to all Poklahsar locations to obtain more comprehensive data and information because the results of this evaluation and verification will greatly influence the recommendations issued;
- The effectiveness of grants (chest freezers) in increasing and sustaining fishery product processing production for grant recipients obtained an average value of effectiveness of grants (chest freezers) in Tanah Laut District involving 12 groups of grant recipients, namely 94.17%, which means grant aid effective for fishery processing groups.

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