

Implementation of Village Fund Policy and Anti-Corruption Challenges in Pasar Rawa Village, Gebang District

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ABSTRACT

Implementation of Village Fund policy in Pasar Rawa Village, Gebang District, and identifying various challenges in efforts to prevent corruption at the village level. Since the enactment of Law Number 6 of 2014 concerning Villages, the Indonesian government has distributed Village Funds on a large scale to support inclusive and sustainable village development. However, in practice, the management of Village Funds often faces various obstacles, ranging from weak capacity of village officials, lack of community participation, to the lack of an effective monitoring and transparency system. The method used in this study is a qualitative approach with data collection techniques through observation, in-depth interviews, and documentation studies. The results of the study indicate that although the Village Fund policy has had a positive impact in terms of physical development, there are still a number of problems in its implementation, such as non-participatory planning, unaccountable budget management, and indications of deviations that lead to potential corruption. The main challenges in implementing this policy lie in weak internal supervision, lack of transparency of information, and the suboptimal understanding of village officials regarding the principles of clean and integrated governance. This study recommends the need to strengthen village institutional capacity, increase community participation, and implement a more open and digital reporting and monitoring system. Thus, the Village Fund policy is not only an instrument of development, but also encourages the creation of a transparent, accountable, and corruption-free village government.

Keywords: Policy Implementation, Village Funds, Anti-Corruption, Rawa Gebang Market.

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A. INTRODUCTION

Since the enactment of Law Number 6 of 2014 concerning Villages, the Indonesian government has initiated a major transformation in terms of village development through the Village Fund policy. This policy aims to accelerate development at the

village level, reduce social disparities, and improve community welfare by strengthening village autonomy and independence.

The Village Fund, which is disbursed annually to all villages in Indonesia, provides great opportunities for village progress, but on the other hand, it also opens up space for irregularities, abuse of authority, and even corruption. The many cases of Village Fund corruption that have emerged in various regions show that the issue of accountability and transparency in village financial management is still a serious challenge.

Pasar Rawa Village, located in Gebang District, Langkat Regency, is one of the villages that also receives Village Funds every year. Along with the implementation of development programs funded by the Village Fund, various problems have emerged that reflect the suboptimal implementation of the policy. Starting from non-participatory program planning, weak internal and external supervision, to the lack of capacity of village officials in budget management.

Furthermore, indications of irregularities and potential corrupt practices in villages such as Pasar Rawa underline the importance of strengthening village governance with integrity. This includes the importance of a system of transparency, accountability, and community participation in every stage of implementing the Village Fund policy.

B. METHODS

This research has a field research style with rich qualitative research types and requirements and will produce descriptive data. This research uses qualitative research methods because of the tradition in social education science which fundamentally relies on human observation both within oneself and in interactions with others in a society. Qualitative research methods do not actually aim to study or prove the truth according to theory, but existing theories are developed using the data collected. The definition of qualitative research methods is research procedures that produce descriptive data in the form of written or spoken words from people and observable behavior. Kirk and Miller⁶ qualitative research is a particular tradition in the social sciences that fundamentally relies on observing people in their own area and relating to those people in their language and terms. The purpose of qualitative research is collecting descriptive data rather than using numbers as the main method. The data collected is in the form of text, words, symbols, images, although it is possible to collect quantitative data. And data can be in the form of manuscripts, for example recordings, interviews, field notes, photos, video tapes, personal documents, notes or memos, and other official documents. This descriptive data will be analyzed and interpreted. Qualitative data collection was carried out using interviews, observation and document review methods. The main informants (primary sources) are elements of the government, administrators of religious organizations and the community. Primary data research was carried out through interviews by determining key

informants who were considered appropriate and appropriate and who knew the problems being studied. From the description above, what is meant by qualitative research is data obtained from informants (in the form of words) based on actual facts (telling the truth) so that the words can be trusted and are valid. Where in this research the design is continuously adjusted to the realities of the field. Qualitative research does not aim to study or prove the truth according to theory but existing theories are developed using the data collected. With this basis, it is hoped that this research will be able to provide an overview of the use of appropriate targeted village funds in Pasar Rawa Village, Gebang District to Avoid.

C. FINDINGS AND DISCUSSION

1. **Public Policy**

Public policy is a series of decisions taken by the government to address certain problems in society. According to Dye (1972), public policy is "whatever governments choose to do or not to do". In the context of the Village Fund, public policy is realized through regulation and budget distribution from the center to the village to encourage participatory development. The implementation of the Village Fund policy is part of fiscal decentralization which aims to provide greater authority to the village government in managing local development.

2. **Village Fund**

The Village Fund is a mandate from Law Number 6 of 2014 concerning Villages, where the central government allocates funds from the APBN to villages to finance the implementation of government, development, and community empowerment. In the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration (Permendes PDDT) No. 8 of 2022, the Village Fund is prioritized for programs that support economic recovery, improving the quality of life, and social resilience. However, the implementation of the Village Fund is inseparable from various technical and ethical challenges, such as limited human resources and the potential for budget irregularities.

3. **Policy Implementation**

The theory of policy implementation explains how policies that have been set are implemented in the field. Edward III (1980) stated that the success of implementation is influenced by four main variables, namely:

- Communication,
- Resources,
- Disposition or attitude of the implementer, and
- Bureaucratic structure.

In the context of Village Funds, the implementer of the policy is the village government, whose success is highly dependent on their understanding of the policy, budget adequacy, and support from the community and supervisory institutions.

4. Corruption and Village Governance

Corruption in the management of Village Funds generally occurs due to weak monitoring systems, minimal transparency, and lack of community participation. Transparency International (2000) defines corruption as "the abuse of entrusted power for private gain". Meanwhile, good governance includes principles such as accountability, transparency, participation, and the rule of law. According to UNDP, the implementation of good governance is very important in preventing corruption, especially at the grassroots level such as villages.

5. Community Participation in Supervision

Community participation is an important aspect in the implementation of Village Funds. Cohen & Uphoff (1980) stated that community participation can be done in various forms, such as planning, implementation, evaluation, and program supervision. The involvement of villagers in development planning deliberations (musrenbangdes) and budget realization supervision is very necessary so that the management of Village Funds runs according to the needs and aspirations of the community, and reduces the risk of abuse of authority.

D. Discussion

Based on article 75 paragraph (1) of Invitation Number 6 of 2014 concerning Villages, article 93 paragraph (2) of Government Regulation Number 43 of 2014 concerning Villages as amended by Government Regulation Number 47 of 2015, it is stated that the Village Head is the holder of authority for managing Village Finances. . This means that every time the Village Head changes after his term of office expires and another or new Village Head is elected, the Village Head has the right to change his government structure to support his work in the Village government as Village Head. This is in accordance with what is regulated in Law Number 6 of 2014 Article 26 paragraph 3. Minister of Home Affairs Regulation Number 113 of 2014 concerning Village Financial Management explains that the Village Head is the holder of the power to manage Village Finances and represents the Village Government in the ownership of property. Separated villages.

When carrying out the duties, authority, rights and obligations as intended in the statutory regulations, the Village Head is obliged to:

1. Submit a report on the implementation of Village Government at the end of each fiscal year to the Regent or Mayor.
2. Submit a report on the implementation of Village Government at the end

of the term of office to the Regent or Mayor.

3. Provide a written report on government administration to the Village Consultative Body at the end of each fiscal year;
4. Provide and/or disseminate written information on government administration to the Village community at the end of each fiscal year.

Village funds sourced from the APBN are one of the important points in the birth of Village Law Number 6 of 2014 concerning Villages. Village funds are a concrete form of state attention to the existence of villages because with village funds, recognition of the rights of origin (Rekognition) and village-scale local authority (Subsidiarity) can be seen and felt by the community. The distribution of village funds by the Central Government to Villages has been going on for 3 years. In 2015 the amount of village funds was IDR 20.76 trillion, in 2016 IDR 46.98 trillion and in 2017 IDR 60 trillion for a total of 74,954 villages, with priority use for self-managed local scale community development and empowerment activities.

Of the corruption cases that occurred in the management of village funds, there were several modus operandi used, including:

1. Make a RAB (Cost Budget Plan) above the market price then pay based on another agreement;
2. The Village Head is responsible for financing physical buildings with village funds even though it comes from other sources;
3. Temporarily borrowing village funds by transferring funds to a personal account and then not returning them;
4. Cutting village funds by individual perpetrators;
5. Making fictitious business trips by falsifying accommodation/travel tickets;
6. Mark Up payment of honorarium for village officials;
7. Payment for ATK does not match real costs by falsifying proof of payment;
8. Collecting taxes, but the results of the tax collection are not deposited to the tax office; And.
9. Purchase office inventory with village funds but for personal use.

ICW has been monitoring corruption that occurs in villages. ICW monitoring results show that in 2015 - 2017 cases of criminal acts of corruption in villages increased. In 2015, corruption cases reached 17 cases and increased to 41 cases in 2016. The spike more than doubled then occurred in 2017 with 96 cases. The total number of corruption cases found was 154 cases.

Not all of the 154 corruption cases in the village sector above are village budget

corruption. The number of cases with village budget objects reached 127 cases, while there were also 27 cases with non-village budget objects or a total of 18% of the total number of cases. Cases involving non-village budget objects include illegal levies carried out by village officials. Meanwhile, the objects of village budget corruption include corruption in Village Fund Allocation (ADD), Village Funds, Village Cash, and others.

The village head is the dominant actor involved in the case. The number of village heads who were ensnared was 112 people. This figure continues to increase from year to year, with 15 village heads in 2015, 32 village heads in 2016, and 65 village heads in 2017. Not all perpetrators are village heads, other perpetrators are 32 village officials and 3 people who are the village head's family.

One case that has attracted quite a lot of attention is that which ensnared Agus Mulyadi, Head of Dassok Village, Pamekasan Regency. Agus was involved in alleged 'security' bribery in a procurement case using village funds in Dassok Village. What is interesting about this case is that the Corruption Eradication Committee (KPK) intervened to carry out OTT because it involved the Regent and a Prosecutor.

Then from the aspect of state losses, corruption in villages also causes large losses. In 2015, losses reached IDR 9.12 billion. In 2016, losses reached IDR 8.33 billion. Meanwhile in 2017, losses jumped to IDR 30.11 billion. The total state losses resulting from corruption in the village sector reached IDR 47.56 billion or equivalent to the basic allocation of APBN funds for 77 villages. Various methods were used by corruption actors in the village, including 51 cases of budget misuse, 32 cases of embezzlement, 17 cases of fictitious reports, 15 cases of fictitious activities/projects, and 14 cases of budget inflation.

E. CONCLUSION

Based on the results of the study on the implementation of the Village Fund policy and anti-corruption challenges in Pasar Rawa Village, Gebang District, several things can be concluded as follows: The implementation of the Village Fund Policy in Pasar Rawa Village has generally been carried out in accordance with formal provisions, where the Village Fund is used to finance physical development activities and community empowerment. However, its implementation has not been fully optimal because various weaknesses are still found, such as minimal participatory planning, limited capacity of village officials, and lack of openness of information to the public. The main challenge in preventing corruption at the village level lies in the weak internal and external monitoring system. In addition, a bureaucratic culture that

is not yet fully transparent and low awareness of integrity values are also supporting factors for the potential for deviations. Anti-corruption efforts in Pasar Rawa Village are still sporadic and not supported by a structured system. The absence of an effective complaint mechanism, minimal use of information technology in village financial management, and low community participation are obstacles to building clean village governance. To strengthen the implementation of the Village Fund policy that is free from corruption, a comprehensive strategy is needed, including: increasing the capacity and integrity of village officials, strengthening the role of the Village Consultative Body (BPD) as a supervisory institution, and encouraging active community involvement in the planning, implementation and evaluation processes of the Village Fund program.

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