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Accountability of Surabaya Government in Providing Policies to Street Coffee Seller during Covid-19 Pandemic

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ABSTRACT

Surabaya is the largest city in East Java which is dominated by the business sector besides education. Then, it is no need to wonder that in every corner of the city, there are small community businesses as a form or means to carry on life. During Covid-19 pandemic in Surabaya, the impact was not only on the health sector but directly on the community's economy sector due to crowd restrictions and social distancing to prevent the transmission of Covid-19. This research aims to be able to find out and identify the form of guidelines that has been implemented by the Surabaya Government towards street coffee seller during Covid-19 pandemic. The research method used is by using normative legal research. The conclusion of this research is that there is guidelines that can be implemented by the Surabaya Government on the impact of covid-19 pandemic for street coffee seller in Surabaya referring to Article 53 Government Regulation No. 7/2021 concerning Ease, Protection and Empowerment of MSME Cooperatives including credit restructuring, reconstruction business, capital assistance and assistance in other forms.

Keywords: Covid-19 Pandemic, MSME of Community, Surabaya Government

INTRODUCTION

One of the basic rights of Indonesian that regulated in 1945 Constitution is the right to life, which meas the right to open the business opportunities for life survival. These rights are not only attached to Indonesian, but are also directly proportional to the state's obligation to provide legal protection and implement the fulfillment of these rights.¹

The form of implementation in legal products can effectively encourage elements in the regional government that can improve welfare and overcome the occurrence of a disaster. The participation of local governments does not only rely on the executive element but is also supported by the legislative and judicial elements in implementing the principle of regional autonomy. In simple terms, the concept of regional government can also be interpreted as the implementation of regional autonomy in a succinct manner, which means exercising power based on special authority or a region having its own government as regulated in laws and regulations.

The legitimacy for the regional governments position in implementing its government functions based on the principles of decentralization, deconcentration and co-administration is regulated in Law Number 23 of 2014 concerning Regional Government (referred to as the Regional Government Law). Article 31 paragraph 2 of Regional Government Law states that regional structuring within the authority of Regional Government aims to realize the effectiveness of government administration, accelerate the improvement of public welfare, improve the public services quality and increase regional competitiveness. Due to the broad but limited authority, the Regional Government can provide certain policies to improve the community welfare. This regulation instrument can be realized through the existence of Regional Regulations at the provincial and Regency/Municipal levels as well as Regional Head Regulations.

The globalization era accompanied by increasingly rapid industrial development makes everyone able to easily compete and open their own business field independently or micro business. The efforts are strongly supported by the State, in this case the local government as a form to improve the economic level in certain area.² The factor of population density and the ability to create more micro and medium businesses insetad of large businesses. Therefore, the State must be able to provide legal certainty regarding the ease of doing business and provide aspects of legal protection to business actors, both micro and medium bussines.

As a country with a population density that remain grow, a country must think about state revenues, one of which is obtained from the economic cycle of

¹ Majda El Muhtaj, *Hak Asasi Manusia Dalam Konstitusi Indonesia Dari UUD 1945 Sampai Dengan Perubahan UUD 1945 Tahun 2002*, 5th ed. (Jakarta: Prenada Media Group, 2015).

² Celina Tri Siwi, *Hukum Perlindungan Konsumen*, Sinar Grafika, Jakarta, 2000, h. 95

micro and medium enterprises. This effort is the important part in economic sector based on the principle of economic democracy, which was initiated by the founding fathers of the nation. The principles of economic democracy are enshrined in the provisions of Article 33 paragraph (4) of 1945 Constitution of Republic Indonesia which states that the national economy is organized based on the principles of togetherness, efficiency, justice, sustainability, independence and maintaining a balance between progress and national economic unity.³

One of the meanings in economic democracy principle as referred to in Article 33 paragraph (4) is the sustainable phrase. The existence of one of these meanings shows that the Constitution mandate as a fundamental norm orders for continuous continuity in terms of efforts in the midst of society for the embodiment of the national economy. When the economy is stable in an area, then this stability will have an impact on other aspects towards a prosperous society, because the essence is that the progress or at least the unstable economy can certainly have a positive impact on people's lives in general.

Surabaya is the largest city in East Java which is dominated by the business sector besides education. Then, it is no need to wonder that in every corner of the city, there are small community businesses as a form or means to carry on life. One of the existence of micro business is street coffee seller. Street coffee seller is more popular in Surabaya. Those micro business are spread at every corner of the city. Street coffee seller had positive impact to society, especially for young people, they can avoid promiscuity and despicable actions because they can spend their time in street coffee business.

During Covid-19 pandemic in Surabaya, the impact was not only on the health sector but directly on the community's economy sector due to crowd restrictions and social distancing to prevent the transmission of Covid-19. Therefore, many micro business sectors have been impacted by the pandemic, including street coffee seller. There is a causal relationship between the Covid-19 pandemic outbreak and the broad economic impact, that is massive economic activities are conducted by the community broadly and at a certain time in one place, such as markets or supermarkets. There is an outbreak that is transmitted through the air, then the government must make policies to reduce mobility or crowds to prevent massive transmission. Therefore, the health or safety factor is the first consideration by the government in general.

The pandemic had spread for a long time. Therefore, local governments must be aware of the constitutional rights of every citizen even if they are affected by a disease outbreak that reduces constitutionally inherent rights. It refers to the provisions in Article 28H paragraph (1) of the 1945 Constitution of Republic Indonesia that everyone is obliged to obtain health services and the responsibility

³ Pasal 34 ayat (4) Undang-Undang Dasar Negara Republik Indonesia Tahun 1945

of the state in providing them.⁴ The Covid-19 pandemic has a direct impact on micro businesses in Surabaya. Therefore, the researcher will examine how the responsibility of Surabaya government in providing guidelines and policy directions, then micro businesses can grow and recover after the Covid-19 pandemic. This research aims to be able to find out and identify the form of guidelines that has been implemented by the Surabaya Government towards street coffee seller during Covid-19 pandemic.

RESEARCH METHODOLOGY

The research method used is normative legal research. Then, normative legal research is a research conducted by conducting an assessment of the applicable legislation and being applied to a particular legal problem. According to Endah Triwulandari and Edy Tarsono, normative legal research is research that focuses on positive legal norms by using secondary data as main data and primary data as supporting data.⁵ This legal research is analyzed by examining library research as secondary materials. Meanwhile, library research is identifying and finding relevant information or data; analyzing what we find; and then developing and expressing our ideas.⁶ The object of this research is research at the level of legal harmonization means to examine the extent to which existing written positive laws are synchronized or harmonious with each other. The research approach serves as a separator between the analysis with the theoretical basis and the principles used in answering the researcher's problems.⁷ In this research, the researcher used two types of research approaches, these are: (1) statute approach is implemented by examining the rule of law and is used to find the relevant legal basis for matters relating to the application of law in Indonesia. In this approach, the researcher need to understand the hierarchy, and the principles in the legislation. The statute approach used as a benchmark approach will be more accurate if it is assisted by one or more other suitable approaches, in order to enrich legal considerations that are appropriate to confront the legal problems encountered.⁸ (2) While the conceptual approach is a type of approach that prioritizes providing a point of view in the analysis of problem solving in Indonesian positive law. This point of view

⁷ Peter Mahmud Marzuki, *Penelitian Hukum*, Cet 13. (Jakarta: Kencana, 2017).

⁴ Majelis Permusyawaratan Rakyat, *Perubahan Kedua Undang-Undang Dasar Negara Republik Indonesia Tahun 1945 Pasal 28H Ayat (1)* (Jakarta, 2000), https://tatanegara.ui.ac.id/wp-content/uploads/2014/03/UUD-NRI-Tahun-1945_Perubahan-Kedua.pdf.

⁵ Endah Triwulandari and Edy Tarsono, "Socio-Juridic Analysis of Abortion According to Article 75 of Law Number 36/2009 Concerning on Health and Law Number 35/2014 Concerning on Child Protection," *IUS POSITUM (Journal of Law Theory and Law Enforcement)* 1, no. 2 (2022): 43–59, https://journal.jfpublisher.com/index.php/jlte/article/view/68.

⁶ Pratiwi Setiawan and Wahyu Tris Haryadi, "The Child Custody Status from Unregistered Marriage: An Islamic Law on The Basis of Constitutional Court Decision," *YURIS (Journal of Court and Justice)* 1, no. 3 (2022): 1–9, https://journal.jfpublisher.com/index.php/jcj/article/view/124.

⁸ Ibid.

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will be applied in the discussion of regional government policy analysis related to economic recovery in the regions.

Types and Legal Material

a) Primary legal material

Primary legal material is a legal material that has authority.⁹ Primary Legal Materials are the main legal materials that are researched and obtained from literature studies, laws and regulations

b) Secondary legal material

Secondary legal materials are legal materials that provide an explanation of primary legal materials.¹⁰ Secondary legal materials are all publications on law which are official documents. The publications on law include textbooks, legal journals in both print and electronic media and/or the internet. Secondary legal materials is needed by researcher to improve the economic level of business actors after Covid-19 pandemic.

Legal material observation techniques

The technique of tracing legal materials in this research is conducted through studying literature on legal materials, both primary legal materials and secondary legal materials. The technique of tracing legal materials was conducted by reading, understanding, studying and listening to the two legal materials, both in the form of electronic media and internet facilities.

a) Primary legal material

Primary legal materials were obtained and collected by the researcher by conducting searches through various laws and regulations related to improving the economic level of business actors after the Covid-19 pandemic.

b) Secondary legal material

For secondary legal materials, the researcher obtained through literature studies regarding all forms related to improving the economic level of business actors after the Covid-19 pandemic. In addition, in searching for secondary legal materials, the researcher also uses access techniques from internet media facilities, journals and online legal articles related to improving the economic level of business actors after the Covid-19 pandemic.

Legal Material Analysis Techniques

In legal research, the processing or analysis techniques of legal materials are in the form of activities to systematize legal materials that have been determined.

⁹ Zainuddin Ali, *Metode Penelitian Hukum*, Sinar Grafika, Jakarta, 2010, hlm 47.

¹⁰Soerjono Soekanto dan Sri Mamudji, *Penelitian Hukum Normatif*, PT Raja Grafindo Persada, Jakarta, Cetakan 14-Juni 2012, hlm 13

In processing legal materials, it is conducted by selecting primary and secondary legal materials, then classifying according to legal materials classification and compiling data from the research results systematically, and conducted logically, which means that there is a relationship and linkage between one legal material and the other legal materials to get an overview of the research results.¹¹

Based on the research method adopted by the researcher, in analyzing legal materials technique is through the interpretation method, namely interpreting the laws and regulations with the case submitted and answering problems with the systematization and hierarchical side of the applicable regulations.

RESULT AND DISCUSSION

The Guidelines Policies that implemented by Surabaya Government on Street Coffee Seller during Covid-19 Pandemic

The potential for economic development and progress of MSMEs or micro and medium enterprises is currently being intensively implemented by the Government. Then, some corners in Surabaya are take advantage of this opportunity to gain profits while also meeting the basic needs of the community. The real assistance and support from Government to promote the MSME sector is increasingly open and accessible to the public. One of the real implementations of the form of MSMEs is the establishment of coffee shops.

The need for consumption other than rice and side dishes for Indonesian people are very fond of drinking coffee while chatting with each other in a certain place which is generally called a coffee shop. This habit is indeed synonymous with male adults, but currently drinking coffee is also a trend for teenagers, both boys and girls. In addition, the habit of drinking coffee is also a characteristic to unite several elements of society at gatherings.

From health factors, dringking coffee according to direct statements from coffee connoisseurs can make the drinkers relieve drowsiness and encourage work effectiveness and daily productivity, with not excessive consumption and according to the body's needs since coffee contains caffeine that beneficial for the body when it is consuming in the right amount.

The rise of MSMEs, especially coffee shops, which are not only located in one place that has a building, coffee shops can also be peddled on the street since making coffee is very easy especially for areas with a high population density with an industrial climate, tourism and education. The community variations also has a role in making various small businesses exist, grow and compete with each other. One of them is a street coffee shop that is rife in the community, especially in big cities like Surabaya.

¹¹ Mukti Fajar dkk, *Dualisme Penelitian Hukum Normatif dan Empiris*, Pustaka Pelajar, Yogyakarta, 2006, h. 181.

The population density and varied community structure makes Surabaya dubbed as economic and educational heart of East Java. Various people, especially in East Java are willing to try their luck in Surabaya because of the high job opportunities compared to other areas outside Surabaya. Therefore, it is directly proportional to the nickname of heart of economics and education. Besides, Surabaya also has a broad community with the significant comparison is people with private or entrepreneurial work backgrounds.

Providing the widest opportunity from the state which is realized through the principle of decentralization by the existence of a regional government. It makes Surabaya had variety of policies that support the existence of MSME in the society. In addition, in supporting the community's economy, Surabaya government is aware of the unequal population density rather than the existence of jobs. Therefore, there are many micro businesses that are easy to set up, many enthusiasts of those business, easy to obtain raw materials those are the characteristics of street coffee seller business. This opportunity is certainly not wasted by the Surabaya people, whose various elements, not only adults but also teenagers, are currently trending to enjoy coffee.

Due to the existence of the MSME sector in Surabaya, it demands a regulatory pattern to regulate and provide policies to micro business actors such as street coffee sellers to be able to survive with all the fierce competition in big town. In principle, local governments are always obliged to be able to provide or realize the basic rights of every community, one of which is the right to own a business and survive on their life. In addition, in providing binding policies as a legal protection for the existence of MSMEs, especially coffee shops. Local governments are also obliged to provide a pattern of guidelines then the existence of MSMEs can continue to grow, compete in a healthy manner and not be inferior to services and products with other business actors who incidentally own large amount of capital.

The attention and obligations conducted by the local government, especially Surabaya government, are not only under normal conditions, but the local government must be ready and alert in every moments that has implications for the existence of micro businesses, especially coffee shops. One of the inherent moments is the Covid-19 pandemic that occurred throughout Indonesia and even became a global disaster.

Covid-19 pandemic which has hit globally and it is also affecting to Surabaya citizens since the beginning of 2020. The government has stated that this moment is an epidemic and a national emergency, then it is required to regulate and implement appropriate forms of policies to protect Surabaya citizens.

The provision and regulation is vitally awaited by the community in certain place since Covid-19 outbreak has affected not only health factors, but also social, economic and cultural factors are need for some reinforcements both to prevent and restore the situation. Here, the role of the central government and local governments is needed to show the community the State presence to guarantee the basic rights of the community as regulated in the Constitution.

Although the form of policy is an obligation for the government, especially local governments, the implementation provided in a policy must also be appropriate. One form of implementation is the existence of coaching and supervision to community. Guidance and supervision in the substance of laws and regulations as regulated in policies to overcome a disaster such as Covid-19 is highly anticipated for its implementation. The urgency is that coaching is a form of direct implementation of the affected community while supervision is a benchmark for assessing whether the policy has been right on target or not.¹²

During Covid-19 pandemic in Indonesia, Indonesian government issued policies that could reduce the risk of impacts due to the pandemic, especially the impact of economic recovery. Begin with the enactment of Government Regulation No. 7/2021 concerning Ease, Protection, and Empowerment of Cooperatives and Micro, Small and Medium Enterprises (hereinafter referred to as Government Regulation on Ease, Protection and Empowerment of Cooperatives and MSME). In Article 53 regulates the recovery of micro, small and medium enterprises which are the obligations of the central government and regional governments by providing credit restructuring, business reconstruction, capital assistance and other forms of assistance.¹³

Some of these policies became very strategic when the pandemic hit Surabaya, especially the impact to micro business actors such as street coffee sellers. Considering the capital and profits in a street coffee shop, the turnover is not so significant. It means that if there are some problems, this kind of business will be vulnerable to bankruptcy, therefore there are several guidelines contained in the government's strategic policy in terms of national economic recovery.

Since the Covid-19 pandemic was spread throughout Surabaya, a special policy is enacted for the purpose of National Economic Recovery or it commonly known as PEN. In PEN, the provisions of Government Regulation No. 23/2020 concerning the implementation of the National Economic Recovery program to support state financial policies to overcome the Covid-19 pandemic or facing threats that endanger the National Economic System Stability and Rescue the National Economy or PEN. It is stated in the provisions of Article 4, the types of real development of the economy during the Covid-19 pandemic including recovery

¹² Eny Haryati and Dian Ferriswara, "Kebijakan Responsif Sebagai Instrumen Transformasi Pelayanan Publik Pada Masa Pandemi Covid-19," *Prosiding Seminar Nasional Penelitian dan Pengabdian kepada Masyarakat* 1, no. 1 (November 16, 2020): 259–270, https://jurnal.saburai.id/index.php/PSN/article/view/831.

¹³ Pemerintah Pusat, *Peraturan Pemerintah Republik Indonesia Nomor 7 Tahun 2021 Tentang Kemudahan, Perlindungan, Dan Pemberdayaan Koperasi Dan Usaha Mikro Kecil Dan Menengah* (Jakarta, 2021), https://jdih.setkab.go.id/PUUdoc/176384/PP_Nomor_7_Tahun_2021.pdf.

for the micro business sector such as the presence of state capital participation, placement of funds, government investment or guarantees.¹⁴

Referring to the provisions of Article 53 of PP on the Ease, Protection and Empowerment of Cooperatives and MSMEs, it is stated that there are several guidances that can reconstruct the economy of micro business actors but are not limited to street coffee shop business actors. The actual implementation of the coaching includes:

1. Credit restructuring

It is an aspect of providing an additional period of time for the business actors whom have bank credit obligations. To facilitate repayment during COVID-19 pandemic, the banking sector issued guidance in the form of increasing credit terms and/or reducing installment payments.

2. Business reconstruction

The control and/or change in business to become more competitive is one form of guidance in terms of business reconstruction during COVID-19 pandemic.

3. Capital assistance

It has become an obligation for the government to provide the capital or funds assistance in the midst of declining purchasing power to restore and maintain micro and medium business actors.

4. Other assistance

The government also provides assistance in other forms such as promotion opportunities in strategic locations.

As a result of COVID-19 pandemic, a special policy is enacted for the purpose of national economic recovery (referred to as PEN). In PEN, the provisions of Government Regulation Number 23 of 2020 concerning the Implementation of National Economic Recovery Program to Support State Financial Policies to Deal with Covid-19 Pandemic and/or Facing Threats That Endanger the National Economy and/or Financial System Stability and Rescue the National Economy (referred to as PP on National Economic Recovery). It is stated in the provisions of Article 4, the types of real development of economy during COVID-19 pandemic, including recovery for micro business sector such as street coffee shops, called the presence of state capital participation, placement of funds, government investment and/or guarantees.¹⁵

¹⁴ Pemerintah Pusat, Peraturan Pemerintah Republik Indonesia Nomor 23 Tahun 2020 Tentang Pelaksanaan Program Pemulihan Ekonomi Nasional Dalam Rangka Mendukung Kebijakan Keuangan Keuangan Negara Untuk Menangani Pandemi Covid-19 Dan/Atau Menghadapi Ancaman Yang Membahayakan Per (Jakarta, 2020), https://peraturan.bpk.go.id/Home/Download/127516/PP Nomor 23 Tahun 2020.pdf.

¹⁵ Pasal 4 Peraturan Pemerintah Nomor 23 Tahun 2020 tentang Pelaksanaan Program Pemulihan Ekonomi Nasional Dalam Rangka Mendukung Kebijakan Keuangan Keuangan Negara Untuk Menangani Pandemi Covid-19 dan/atau Menghadapi Ancaman Yang Membahayakan Perekonomian Nasional dan/atau Stabilitas Sistem Keuangan Serta Penyelamatan Ekonomi Nasional

The conception of national economic recovery with the enactment of several regulations through legal products during the pandemic is intended to provide various activities in the form of guidance and strategic policies that are part of the state financial policy implemented to accelerate the handling of the Covid-19 pandemic. On the other hand, the policy must be able to provide protection and maintain the economic sector then it grows and is stable under any conditions.

In accordance with Article 4 of the PP on National Economic Recovery, the tangible forms of supporting the economy due to the pandemic include:

1. State Equity Participation

This inclusion means that the budget contained in both of APBD and APBN is separated for economic recovery where the funds are managed by certain legal entities.

2. Fund Placement

The government activities to place certain funds in commercial banks with certain interest rates for helping the micro bussines actors during the pandemic.

3. Government Investment, and

Placement of assets, shares and/or other securities for long-term interests which can provide economic benefits to small business actors in the future.

4. Guarantee

The activity of providing guarantees from the guarantor to ensure the fulfillment of credit obligations is implemented well.

The arrangements to realize economic recovery both nationally and regionally with the enactment of Regulation of the Minister of Cooperatives and Small and Medium Enterprises No. 2/2021 concerning Amendments to Regulation of the Minister of Cooperatives and Small and Medium Enterprises (Permenkop) No. 6/2020 concerning Distribution of Government Assistance for Micro Business Actors to Support National Economic Recovery. It is stated in the provisions of Article 3 paragraph (1) that small business actors including street coffee shops can be given assistance in the amount of IDR. 1,200,000,- (one million two hundred thousand rupiah). The existence of this distribution is a tangible manifestation of the national economic recovery as a form of guidance from the Regional Government to small business actors. The method of obtaining assistance from micro business actors is regulated in the provisions of Article 8 paragraph (2) of the Minister of Cooperatives for National Economic Recovery, namely the Electronic-based population registration number, family card number, full name, address, line of business and telephone number.¹⁶

¹⁶ Menteri Koperasi dan Usaha Kecil Menengah, Peraturan Menteri Koperasi Dan Usaha Kecil Menengah Nomor 2 Tahun 2021 Tentang Perubahan Atas Peraturan Menteri Koperasi Dan Usaha Kecil Dan Menengah Nomor 6 Tahun 2020 Tentang Penyaluran Bantuan Pemerintah Bagi Pelaku Usaha Mikro Untuk Mendukung Pemuliha (Jakarta, 2021).

Surabaya is the largest city in East Java where the population density is very massive that directly proportional to the number of micro businesses or commonly known as MSME. One of the existence of micro business is street coffee seller. Street coffee seller is more popular in Surabaya. The existence of street coffee seller in the midst of the Covid-19 pandemic is also very helpful for the economy, but it is also required the supervision of Surabaya government.

There are several guidance policies from Surabaya government as a form of maintaining the economy of its citizens during the Covid-19 pandemic, including:

- a. Fulfillment of personal protective equipment,
- b. Fabric mask making,
- c. Restrictions on store operating hours,
- d. Hazardous materials suit,
- e. Space for adding knowledge;
- f. Training room,
- g. Accessibility of using marketplace.

Some of the guidance that has been implemented by Surabaya Government towards the empowerment of MSMEs, but not limited to the existence of street coffee shops during the pandemic, is very helpful to protect themselves from Covid pandemic outbreak and maintain the economic conditions. Thus the author can provide an overview of the guidance conducted by Surabaya Government towards micro business actors, called street coffee shops including several coaching, namely:

Legal Basis	Forms of Guidance
Article 53 Government Regulation	Credit restructuring, business
Number 7 of 2021 concerning Ease,	reconstruction, capital assistance and
Protection, and Empowerment of	other forms of assistance
Cooperatives and Micro, Small and	
Medium Enterprises	
Article 4 Government Regulation	State equity participation, placement of
Number 23 of 2020 concerning the	funds, government investment and
Implementation of National Economic	guarantees
Recovery Program in Supporting State	
Financial Policies to face Covid-19	
Pandemic and/or Threats That	
Endanger the National Economy	
and/or Financial System Stability and	
Rescue the National Economy	
Article 3 paragraph (1) Regulation of	The distribution of assistance to micro
the Cooperatives Minister of Small and	business actors IDR. 1.200.000,- (one
Medium Enterprises Number 2 of 2021	million two hundred thousand rupiah)
concerning Amendments to Regulation	
of Cooperatives Minister of Small and	

Medium Enterprises Number 6 of 2020concerningDistributionGovernmentAssistanceBusinessActors toSupportNationalEconomicRecovery	
General Policy of Surabaya	 The fulfillment of personal
Government	protective equipment Fabric mask making Opening hours restrictions Hazmat suit Space for adding knowledge Training room Market utilization accessibility.

The regulation of Surabaya Government that improve street warkop business actors' walfare during pandemic

Policy is an important factor in the formation and the most effective control of an area. Referring to the concept of the rule of law, everything that becomes a plan must be realized and legalized through legislation. One of the authorities possessed by a regional head in a region is to be able to form a statutory regulation of a Mayor Regulation and/or a Regent Regulation.

Considering the function of the legislative institution in a regional government is same as the power of central government, called the existence of a legislative function to provide regulation through legal products based on problems that exist in the community of a region through investigating or examining the problem directly for analyzing problems and formulating the appropriate solutions.¹⁷

Furthermore, after getting the problems in concrete form, the members of Council in the area bring the problem to a formal meeting in DPRD for discussion. The results of the previous discussion must be reviewed comprehensively through the existence of an academic text for the legislation as a legal product. The element of such an academic text must contain juridical, sociological, historical and conceptual arguments. Then, the argument is not only based on a legal basis, but also feelings and sociological conditions or the community condition of which experiencing the problems must be the basis for comparison to solve problems through an appropriate policy.

Apart from the function of DPRD to make laws and regulations at the regional level in solving the problems, the role of regional head must also be actively involved as an executive element. The regional head must be spry and sensitive to

¹⁷ Abdul Wahab, *Analisis Kebijaksanaan: dari Formulasi ke Implementasi Kebijaksanaan Negara*, Sinar Grafika, Jakarta, 2002, h. 63

the community condition since the region or its people who previously chose as regional head are experiencing problems that must be immediately given a solution.

Especially for the condition of Covid-19 pandemic that infected several areas and was not limited to Surabaya, considering the number of population density is directly proportional as the potential to be infected with Covid-19 virus. Therefore, to protect its citizens from the outbreak, various ways were implemented by Regional Head, especially Surabaya to provide legal protection for its citizens.

It is necessary to have the right policy in responding to an event since the role of regional government in addition to Regional Head as the implementation of State in the region to fulfill the basic rights of its citizens. One of them is the obligation to meet the demands to rebuild the health during pandemic and economic recovery during and after the Covid pandemic.

Before discussing the urgency of how to recover the economy during and after the Covid-19 pandemic, especially in Surabaya, researcher will provide arrangements that have been made by the Mayor of Surabaya regarding how to prevent and protect health. Considering that the issue during the pandemic is health, the first right urgency to regulate is the health factor and economic factor. Surabaya Government provided protection to all the people of Surabaya by issuing Mayor Regulation Number 2 of 2021 concerning Amendments to Surabaya Mayor Regulation Number 67 of 2020 concerning Implementation of Health Protocols in the Context of Prevention and Breaking the Spread of Covid-19 in Surabaya (referred to as Perwali Surabaya Implementation of Covid-19 Protocol). In the provisions of Article 31, it stipulates that the Regional Government can set restrictions on community activities to reduce the spread of Covid-19.¹⁸

During the Covid-19 pandemic, the Mayor of Surabaya issued Surabaya Mayor Regulation Number 29 of 2022 concerning Provision of Regional Tax Incentives in the Context of Economic Recovery from the Impact of the Spread of Covid-19 in Surabaya (referred to as Perwali Surabaya concerning Economic Recovery Tax Incentives).

As a general obligation for every citizen without exception but not limited to micro businesses such as street coffee shops to pay taxes to the State. In terms of easing this obligation due to economic difficulties due to Covid-19 pandemic, the Mayor of Surabaya provides tax incentives with the aim of restoring the economy of the community affected by COVID-19, especially the economic impact.

In addition to the abolition of regional taxes as intended in Perwali, there is also an elimination for the imposition of fines due to tax obligations. The Perwali is one of the strategic policies of the Mayor of Surabaya which is generally applicable to Surabaya citizen, especially for the business sector.

¹⁸ Pasal 31 ayat (1) Peraturan Walikota Nomor 2 Tahun 2021 tentang Perubahan Atas Peraturan Walikota Surabaya Nomor 67 Tahun 2020 tentang Penerapan Protokol Kesehatan

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Through his statement, the Mayor of Surabaya gave special attention to MSMEs for the impact of pandemic on their economic continuity, then the Mayor of Surabaya gave special policies related to MSMEs, namely:

1. SME-based labor intensive

This type of policy provides an easy direction for MSMEs to be able to obtain an OSS-based Business Identification Number, banking facilities and funds. Labor intensive is also given to MSMEs as a means of promotion provided by Surabaya Government by providing access to strategic places in Surabaya area as a means to peddle MSMEs, but not limited to street vendors.

- Delivering optimization and acceleration of APBD expenditures by involving local business actors including MSMEs
 In terms of national economic recovery which moves to financial access in the regions as the implementation of absorption, the budget that has been issued is adjusted to national economic recovery program to the regions. Then, the budget effectiveness can be felt directly by local business actors, especially street coffee shops.
- 3. Facilitating the collaboration of large corporations to partner with MSMEs In addition to Government participation, both the central government through several regulations and guidance, as well as regional governments, the support must also be given by large-scale corporations to support economic recovery programs in the regions, especially in Surabaya area which has a massive impact since there are many large-scale corporations in Surabaya, as a form of environmental social responsibility, these corporations must also care about the micro economies around them.

Furthermore, the policy that can be directly felt by micro bussiness actors such as street coffee shops is the policy regarding the take away sales system. This sales system was actually not only initiated in Surabaya, but many other areas have implemented the same thing. Then buyers can still buy coffee but it cannot be drunk on the spot but must be taken home to avoid crowds.

The policies that mentioned above by the Surabaya Government are regulated based on the principle of discretion of a regional head in this case the Mayor of Surabaya, without going through formal ratification involving the DPRD to become a legally valid policy, some concrete policy outside of legal policy Certain products issued by Surabaya Government are expected to function and be effective straight away. The differences from formal policies such as the formation of regional regulations compared to discretionary policies as mentioned above, there is a time difference in terms of their formation, when regional regulations can also produce a concrete policy, previously a bureaucratic process was needed to ratify a regional regulation, whereas in policy in discretion in formation process and ratification is spontaneous for the benefits can be directly felt by the community. Therefore, it can be concluded that discretionary policy has a positive impact in terms of its formation time, the discretionary policy cannot be issued or used in normal conditions, but the discretionary policy owned by regional head must be function in certain circumstances, urgently and according to considerations, as is the case in a health emergency such as Covid-19 pandemic.

CONCLUSION AND SUGGESTION

Conclusion

The guidance that can be implemented by Surabaya Government on the impact of covid-19 for street coffee shop business actors in Surabaya refers to Article 53 PP 7, 2021 concerning Ease, Protection and Empowerment of MSME Cooperatives including credit restructuring, business reconstruction, capital assistance and assistance in other forms, according to Article 4 of PP on National Economic Recovery covering state capital participation, the placement of funds, government investment and guarantees according to Article 3 paragraph (1) of Cooperatives Minister for National Economic Recovery, micro business actors will receive financial assistance in the amount of IDR. 1.200.000,- (one million two hundred thousand rupiah).

The Surabaya Government's policy to improve the economy of street coffee shops as a micro business sector during Covid-19 pandemic is divided into 2 (two), called formal policies and discretionary policies. The formal policy refers to Surabaya Perwali regarding Economic Recovery Tax Incentives which prioritizes the ease of paying taxes and tax penalties for business actors in particular. Also, Surabaya Mayor's discretionary policies is covering the MSME-based laborintensive activities, delivering the APBD optimization for micro business actors specifically with the collaboration between micro business actors and corporation in Surabaya.

Suggestion

- 1. Considering some guidance and policies that have been implemented but there are still micro business actors, especially street coffee shops that are out of business, Surabaya Government should conduct the data collection on micro business actors for the identity of business owners can be monitored. Then, the distribution of aid can be right on target.
- 2. It should be monitoring the business actors for become exist continuously, especially the aspects of capital development and sales results. In this case, the Government can intervene as long as it improves the competitiveness of the economy.

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