# REGULATION OF THE REGENCY OF BATANG NUMBER 3 OF 2021 ON INDUSTRIAL DEVELOPMENT PLAN FOR THE REGENCY OF BATANG FOR 2021-2041

### BY THE BLESSINGS OF ALMIGHTY GOD

#### THE REGENT OF BATANG,

- Considering : that in order to implement the provision of Article 11 section (4) of Law Number 3 of 2014 on Industrial Affairs, it is necessary to issue a Regional Regulation on the Industrial Development Plan of the Regency of Batang for 2021-2041;
- Observing : 1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;
  - 2. Law Number 13 of 1950 on the Establishment of Regency Areas within the Province of Central Java (State Bulletin of 8 August 1950) as amended by Law Number 9 of 1965 on the Establishment of the Second Level Region of Batang by amending Law Number 13 of 1950 on the Establishment of Regency Areas within the Province of Central Java (State Gazette of the Republic of Indonesia of 1965 Number 52, Supplement to the State Gazette of the Republic of Indonesia Number 2757);
  - Law Number 3 of 2014 on Industrial Affairs (State Gazette of the Republic of Indonesia of 2014 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 5492) as amended by Law Number 11

of 2020 on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

4. Law Number 23 of 2014 on Local Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times, last by Law Number 11 of 2020 on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

With the joint Approval of

# THE REGIONAL HOUSE OF REPRESENTATIVES and THE REGENT OF BATANG

# HAS DECIDED:

To Issue : REGIONAL REGULATION ON THE INDUSTRIAL DEVELOPMENT PLAN OF REGENCY OF BATANGFOR 2021-2041.

# CHAPTER I

# GENERAL PROVISIONS

## Article 1

In this Regional Regulation:

- 1. Region means Regency of Batang.
- 2. Local Government means Regent as elements of local government administration leading the implementation of government affairs which become the authority of the region.
- 3. Regent means Regent of Batang.

- 4. Regional Apparatus means elements that assist the Regent and the Regional House of Representatives in administering government affairs which become the Authority of the Region.
- 5. Industry means all forms of economic activities which process raw materials and/or utilize industrial resources to produce goods of added value or of higher utility, including industrial services.
- 6. Industrial Affair means an order and any activities relating to industrial activities.
- 7. Industrial Estate means an estate wherein Industrial activities are centralized, complete with supporting facilities and infrastructure which are developed and managed by an Industrial Estate Company.
- 8. Industrial Designated Area means a stretch of land designated for Industrial activities based on a regional spatial plan determined in accordance with the provisions of legislation.
- Regional Leading Industry means an Industry that is determined to be a leading and major Industry in the Region.
- Industrial Development Plan of the Province (Rencana Pembangunan Industri Provinsi) of Central Java for 2017-2037, hereinafter abbreviated as RPIP, means a planning document that becomes a reference in industrial development in Central Java Province for 2017-2037.
- 11. Industrial Development Plan of the Regency (Rencana Pembangunan Industri Kabupaten) of Batang for 2021-2041, hereinafter abbreviated as RPIK, means a planning document that becomes a reference in Industrial development in the Regency of Batang for 2021-2041.

The purposes of this Regional Regulation are:

 as a guideline for Industrial development for Regional Apparatus and Industrial actors, entrepreneurs and/or related institutions;

- b. encouraging Regional Industries to become Regional Leading Industries; and
- c. as a guideline for public participation in the development of Regional Leading Industries.

The objectives of the issuance of this Regional Regulation are:

- realizing the National Industrial development policy in the Region;
- b. determining targets, strategies and action plans for the development of Regional Leading Industries;
- c. realizing an independent, competitive, advanced and environmentally friendly regional Industry;
- d. realizing equitable development of Regional Leading Industries in order to strengthen national resilience; and
- e. improving the prosperity and welfare of the regional society in a just manner.

#### Article 4

The scopes of the regulation in this Regional Regulation are:

- a. the authority of the Local Government;
- b. Regional Leading Industry;
- c. RPIK for 2021-2041;
- d. implementation and financing;
- e. guidance and supervision;
- f. reporting; and
- g. annex.

## CHAPTER II

# AUTHORITY OF LOCAL GOVERNMENT

#### Article 5

 The Local Government in accordance with its authority is responsible for the achievement of the regional industrial development objectives.

- (2) Regional Industrial Development as referred to in section(1) is carried out in Industrial Designated Areas stipulated in the regional spatial plan.
- (3) The authority of the Local Government as referred to in section (1) includes:
  - a. planning for the development of Industrial Designated Areas and Industrial Estates;
  - b. provision of Industrial infrastructure;
  - provision of ease of data and information in areas designated for the construction/development of Industrial Designated Areas;
  - d. one-stop integrated service in accordance with the provisions of legislation;
  - e. provision of incentives and other ease in accordance with the provisions of legislation;
  - f. arrangement of Industrial activities to be located in Industrial Designated Areas and Industrial Estates; and
  - g. supervision of the implementation of Industrial Estate development.

- (1) The Local Government in accordance with its authority strives for the availability of:
  - a. Industrial infrastructures; and
  - b. supporting infrastructures.
- (2) Industrial Infrastructures as referred to in section (1) point a are:
  - a. energy and electricity facilities;
  - b. telecommunications facilities;
  - c. water resource facilities;
  - d. sanitation; and
  - e. transportation facilities.
- (3) The supporting infrastructures as referred to in section (1) point b are:
  - a. housing area;
  - b. education and training;

- c. research and development;
- d. health;
- e. firefighter; and
- f. garbage dump.

### CHAPTER III

## REGIONAL LEADING INDUSTRIES

### Article 7

- Regional Leading Industries that are the drivers of regional economic growth and have great potential to be developed are:
  - a. Food industry;
  - the industry of wood, articles of wood and cork (excluding furniture) and woven goods of bamboo, rattan and the like;
  - c. leather, leather goods and footwear industries;
  - d. upstream agro-industry;
  - e. the motor vehicle, trailer and semi-trailer industry;
  - f. other transportation equipment industry;
  - g. furniture industry;
  - h. textile industry; and
  - i. apparel Industry.
- (2) In addition to the Regional Leading Industry as referred to in section (1), the Local Government may develop other industries that are potential and are regional priorities.

# Article 8

- The development of Regional Leading Industries must provide benefits for the welfare of the Regional society.
- (2) Local Government prepares Regional human resources in an effort to access job opportunities in Regional Leading Industries.
- (3) The development of the Regional Leading Industry as referred to in section (1) is carried out in a sustainable manner through the following stages:
  - a. phase I for the period of 2021-2025;

- b. phase II for the period of 2026-2030; and
- c. phase III for the period of 2031-2041.

# CHAPTER IV RPIK

# Article 9

- RPIK for 2021-2041 is stipulated for a period of 20 (twenty) years.
- (2) RPIK for 2021-2041 as referred to in section (1) may be reviewed 1 (one) time every 5 (five) years in accordance with the provisions of legislation.
- (3) RPIK for 2021-2041 as referred to in section (1) contains:
  - a. the vision and mission of regional development as well as the objectives and targets of regional industrial development; and
  - Regional Leading Industry development strategies and programs.
- (4) The strategies and programs for the development of the Regional Leading Industry as referred to in section (3) point b at least contain:
  - a. Industrial development strategies; and
  - b. industrial development programs.
- (5) The Industrial development programs as referred to in section (4) point b are:
  - a. determination, targets and development programs for Regional Leading Industries;
  - b. industrial area development;
  - c. Industrial resource development;
  - d. construction of industrial facilities and infrastructure; and
  - e. Industrial empowerment.
- (6) RPIK for 2021-2041 as referred to in section (3) is listed in the Annex as an integral part of this Regional Regulation.

# CHAPTER V IMPLEMENTATION

- The Local Government is responsible for the implementation of the Industrial development programs in the RPIK.
- (2) In implementing the Industrial development programs as referred to in section (1), the Local Government establishes a synergy with the Central Government and may cooperate with stakeholders.
- (3) The implementation of the cooperation as referred to in section (2) refers to the legislation governing regional cooperation.
- (4) Further provisions regarding synergy and cooperation as referred to in section (2) are regulated by a Regent Regulation.

# CHAPTER VI

# GUIDANCE AND SUPERVISION

#### Article 11

- The Regent conducts guidance and supervision of small and medium-sized industries.
- (2) The implementation of guidance and supervision of small and medium-sized industries as referred to in section (1) is in accordance with the provisions of legislation.

# CHAPTER VII REPORTING

# Article 12

- (1) The Regent makes a report to the Governor 1 (one) time a year on the implementation of the RPIK which is an integral part of the report on the implementation of Regional Government in accordance with the provisions of legislation.
- (2) The implementation report as referred to in section (1) at least covers Industrial growth, contribution of the

Industrial sector, employment in the Industrial sector, realization of investment in the Industrial sector and the export of Industrial products, including problems and steps to settle the Industrial sector.

# CHAPTER VIII FINANCING

# Article 13

- The financing for the implementation of RPIK for the 2021-2041 comes from the Local budget.
- (2) In addition to being sourced from the Local budget, the financing as referred to in section (1) can be sourced from:
  - a. state budget; and
  - b. other legal and non-binding sources of financing.

# CHAPTER IX

# CLOSING PROVISIONS

### Article 14

This Regional Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Regional Regulation by its placement in the Regional Gazette of the Regency of Batang.

> Issued in Batang on 26 October 2021

#### REGENT OF BATANG,

signed

WIHAJI

Promulgated in Batang on 26 October 2021

REGIONAL SECRETARY OF THE REGENCY OF BATANG,

signed

LANI DWI REJEKI

SEPN. MU

**REGIONAL GAZETTE OF THE REGENCY OF BATANG OF 2021 NUMBER 3** 

Jakarta, 25 May 2023 Has been translated as an Official Translation on behalf of Minister of Law and Human Rights of the Republic of Indonesia DIRECTOR GENERAL OF LEGISLATION, ANNEX TO REGULATION OF THE REGENCY OF BATANG NUMBER 3 OF 2021 ON INDUSTRIAL DEVELOPMENT PLAN FOR THE REGENCY OF BATANG FOR 2021-2041

# INDUSTRIAL DEVELOPMENT PLAN FOR THE REGENCY OF BATANG FOR 2021-2041

#### CHAPTER I INTRODUCTION

#### 1.1 Background

According to Law Number 17 of 2007 on the National Long-Term Development Plan for 2005-2025, the industrial sector is a strengthening of the economic structure which is positioned as the driving force for other economic sectors. This is because the industrial sector has a positive impact on the economy. This positive impact can be seen both through the backward linkage and forward linkage of the Industrial sector to other economic activities. The backward linkage of the industrial sector is supported by agricultural activities in the broadest sense, marine and mining which produce efficient, modern and sustainable products. The forward linkage of the Industrial sector is supported by effective services that implement good practices and governance. The goal is that the development of the Industrial sector will encourage the realization of strong economic resilience.

To realize the sustainable development of the Industrial sector, the central government has prepared the National Industrial Development Master Plan (RIPIN) 2015–2035. The National Industrial Development Master Plan, *Rencana Induk Pembangunan Industri Nasional* (RIPIN) is stipulated by Government RegulationNumber 14 of 2015 and compiled as an implementation of the mandate of Law Number 3 of 2014 on Industrial Affairs, as well as being a guideline for the government and Industry players in planning and developing national Industry. Through the National Industrial Development Master Plan (RIPIN) which is embodied through the National Industrial Policy (KIN), the industrial sector will be able to make a significant contribution in increasing added value, employment and foreign exchange, as well as being able to make a major contribution to the formation of national competitiveness (Ministry of Industry, 2015).

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At the regional level, Law Number 3 of 2014 on Industrial Affairs mandates the Governor/Regent/Mayor to draw up a Regional Industrial Development Plan. The Regional Industrial Development Plan must be in line with RIPIN and the National Industrial Policy (*Kebijakan Industri Nasional*/ KIN), pay attention to the potential of regional Industrial resources, in accordance with the Regional Spatial Plan, and pay attention to compatibility with socio-economic activities and environmental carrying capacity. The Regional Industrial Development Plan is also intended to be a guideline to encourage the growth of the Industrial sector to be more focused, integrated and provide more optimal benefits for the region. Other important aspects that form the basis for the concept of industrial development include efficiency, spatial planning, resources and the environment.

The Regency of Batang is one of the regencies that has an important and strategic role in economic growth in the northern area of Central Java. the Regency of Batang is located on the main route connecting Jakarta-Surabaya. This position places The Regency of Batang, especially the capital city of its government, on the economic route of the northern island of Java. The flow of transportation and high mobility on the north coast route provides the possibility for the Regency of Batang to develop quite prospectively in all sectors.

The condition of the Regency of Batang is a combination of coastal, lowland and mountainous areas. This condition makes the Regency of Batang has enormous potential for industrial development. This can be seen from the very dominant contribution of the Industrial sector in the Gross Regional Domestic Product (GRDP) of the Regency of Batang. During the last 3 (three) years (2017–2019), the Industrial sector contributed more than 34% of the total GRDP of the Regency of Batang (Central Bureau of Statistics, 2020). Even in 2019, the Industrial sector in the Regency of Batang was able to absorb 23.53% of the total existing workers (Central Statistics Agency, 2019).

Although it contributes greatly to the economy of the Regency of Batang, the growth trend of the Industrial sector during the 2017–2019 period has always been declining. The growth of the Industrial sector in the Regency of Batang in 2017 was 7.17%, decreased to 6.33% and fell again in 2019 to 5.45%. The declining trend of industrial sector growth has become a challenge for the local government to formulate an industrial development plan in the Regency of Batang. In addition to being faced with a decline in

growth in the last three years, industrial development in the Regency of Batang is also expected to be able to answer the existing strategic development issues. the Regency of Batang's open unemployment still requires very serious attention where the number of open unemployment in the Regency of Batang in 2019 is still quite large, as many as 16,755 people.

Industrial development in the Regency of Batang is expected not only to be able to optimize the development of creative Industries based on local potential. However, industrial development in the Regency of Batang must also be able to optimize the designated Industrial and Industrial areas. In addition to the development of supporting facilities and infrastructure for industrial development, the existence of an industrial designation area of 3,310 hectares also requires investment from both domestic and foreign. In other words, the the Regency of Batang Government must be able to invite investors not only in medium-sized industries but also in large Industries.

Based on this background, good and comprehensive industrial development planning is absolutely necessary in the Regency of Batang. This can be achieved, one of which is the preparation of the the Regency of Batang Industrial Development Plan. The the Regency of Batang Industrial Development Plan will serve as a guideline so that industrial development is more focused, able to utilize all the potentials it has by taking into account the element of sustainability and being able to provide the maximum benefit to the community.

### 1.2 Legal basis

The legal basis used in preparing the the Regency of Batang Industrial Development Plan is as follows:

- Law number 3 of 2014 on Industrial Affairs, Article 11 section (1) every regent/mayor prepares a Regency/Municipal Industrial Development Plan; and
- 2) Law number 23 of 2014 on Regional Government Article 24 section (1).

### 1.3. Writing system

The the Regency of Batang Industrial Development Plan consists of 5 (five) Chapters, namely (1) Introduction, (2) Description of Regional Conditions Related to Industrial Development, (3) Regional Development Vision and Mission, as well as Regional Industrial Development Goals and Targets, (4) Strategy and Regency Industrial Development Program, and (5) Closing. A brief description of each chapter can be explained as follows: 1. Introduction

This section explains the background of the importance of preparing the District Industrial Development Plan, the legal basis for the preparation and the systematics of writing;

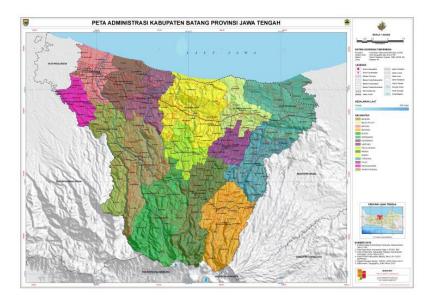
- 2. Overview of Regional Conditions Related to Industrial Development This section contains an overview of the condition of the Regency of Batang, industrial resources in the Regency of Batang, supporting facilities and infrastructure for industry in the Regency of Batang, and a description related to the empowerment of small and medium-sized industries in the Regency of Batang;
- 3. Regional Development Vision and Mission, as well as Regional Industrial Development Goals and Targets This section contains the vision and mission of the Regency of Batang, the Regency of Batang's Industrial Development Goals, and the Regency of Batang's Industrial Development Goals;
- District Industrial Development Strategy and Program This section contains the industrial development strategy and industrial development program in the Regency of Batang; and
- 5. Closing

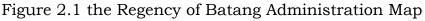
This section outlines a summary of the linkages of Chapter I to Chapter IV, and hopes for the successful implementation of the the Regency of Batang RPIK for the next 20 years.

# CHAPTER II. DESCRIPTION OF REGIONAL CONDITIONS RELATED TO INDUSTRIAL DEVELOPMENT

# 2.1 Regional Condition

The Regency of Batang is located between 60 51' 46" and 70 11' 47" south latitude and between 1090 40' 19" and 1100 03' 06" east longitude. The location of the Regency of Batang is on the north coast of Java Island. the Regency of Batang stretches from the coastal area to the highlands approaching the Dieng area. The Regency of Batang is bordered to the west by Pekalongan Regency and City, to the south by the Regency of Wonosobo and the Regency of Banjarnegara, to the east by the Regency of Kendal and to the north by the Java Sea.





Source: the Regency of Batang RTRW Regional Regulation 2019 - 2039 a. Economic growth

The economy of the Regency of Batang in the last five years tends to fluctuate. this is indicated by the growth rate of gross regional domestic product at constant prices, in 2019 of 5.39 percent, lower than the previous year, which was 5.72 percent. when compared with the growth of central java, the growth of the Regency of Batang over the last five years is relatively the same. The highest growth occurred in 2018 of 5.72 percent.



Figure 2.2 Growth Rate of GRDP in Batang Regency and Central Java

Source: Central Bureau of Statistics, 2020

# b. GRDP Growth of the Regency of Batang by Business Field

Economic growth by sector in 2019 looks varied. The highest growth was achieved by other Service sectors, which was 10.80%. Meanwhile, the mining and quarrying sector experienced the smallest growth of 0.90%.

No	Sector	2015	2016	2017	2018*	2019**
1	Agriculture, forestry and fisheries	3,30	1,88	-1,61	2,13	3,24
2	Mining and excavation	2,50	12,37	18,50	8,26	0,90
3	Processing industry	5,30	4,50	7,17	6,33	5,45
4	Gas electricity supply	8,78	8,64	5,14	4,87	5,61
5	Water supply, garbage, recycling waste	2,42	9,74	10,61	10,69	3,57
6	Construction	7,86	7,39	14,63	10,88	1,09
7	Wholesale & retail of car & motorcycle	4,57	6,25	6,11	5,51	6,49
	repair					
8	Transportation and warehousing	7,65	5,28	4,64	4,71	8,39
9	Provision of accommodation and food	8,16	7,82	4,77	5,79	9,10
	and drink					
10	Information and communication	15,64	8,83	11,42	10,53	10,49
11	Financial Services and insurance	6,19	7,65	4,22	2,83	2,77
12	Real estate	6,31	6,94	5,80	5,12	5,42
13	Company services	6,72	6,67	8,48	7,53	9,03
14	Adm. governance, defense and security	7,25	0,80	1,07	3,13	3,11
15	Education services	6,69	7,58	6,07	6,65	7,82

Table 2.1 Growth Rate of GRDP of the Regency of Batang by Business Field (Percent) in 2015-2019

No	Sector	2015	2016	2017	2018*	2019**
16	Health services and social activities	5,24	8,93	7,37	7,76	6,87
17	17 Other services		6,83	9,39	9,64	10,80
PDRB		5,42	5,03	5,55	5,72	5,39
Source: Control Durgeou of Statistics, 2020						

Source: Central Bureau of Statistics, 2020

Table 2.1. also shows the growth of the manufacturing sector, which for the last three years has a downward trend. In 2017, the growth of the processing industry was 7.17% and the last year was 5.45%. Despite experiencing a declining trend, the growth of the manufacturing sector in the Regency of Batang over the last five years has tended to increase.

c. Distribution of GRDP in the Regency of Batang on the Basis of Current Prices by Business Field

In 2019, the manufacturing Industry sector had the highest distribution of the economic structure in the Regency of Batang, which was 34.43%, while the agriculture, forestry and fishery sectors were 20.36%. The role of the wholesale and retail trade, car repair, and motorcycle sectors by 14.57% is in the top three of the economic structure.

Sector	2015	2016	2017	2018	2019
Agriculture, forestry and fisheries	23,95	23,14	21,37	20,71	20,36
Mining and excavation	2,51	2,74	3,10	3,14	3,00
Processing industry	33,38	33,61	34,19	34,51	34,43
Gas electricity supply	0,06	0,06	0,06	0,06	0,06
Water supply, garbage, recycling waste	0,09	0,10	0,10	0,10	0,10
Construction	4,85	4,88	5,32	5,70	5,55
Wholesale and retail of car & motorcycle	12,81	12,92	13,01	12,97	13,21
repair					
Transportation and warehousing	2,37	2,31	2,29	2,24	2,31
Provision of accommodation and food and	3,71	3,84	3,77	3,72	3,85
drink					
Information and communication	2,32	2,33	2,51	2,57	2,69
Financial Services and insurance	1,73	1,76	1,77	1,74	1,70
	Agriculture, forestry and fisheriesAgriculture, forestry and fisheriesMining and excavationProcessing industryGas electricity supplyWater supply, garbage, recycling wasteConstructionWholesale and retail of car & motorcyclerepairTransportation and warehousingProvision of accommodation and food anddrinkInformation and communication	Agriculture, forestry and fisheries23,95Mining and excavation2,51Processing industry33,38Gas electricity supply0,06Water supply, garbage, recycling waste0,09Construction4,85Wholesale and retail of car & motorcycle12,81repair2,37Transportation and warehousing2,37Provision of accommodation and food and drink3,71Information and communication2,32	Agriculture, forestry and fisheriesImage: 23,9523,14Mining and excavation2,512,74Processing industry33,3833,61Gas electricity supply0,060,06Water supply, garbage, recycling waste0,090,10Construction4,854,88Wholesale and retail of car & motorcycle repair12,8112,92Transportation and warehousing2,372,31Provision of accommodation and food and drink3,713,84Information and communication2,322,33	Agriculture, forestry and fisheries         23,95         23,14         21,37           Mining and excavation         2,51         2,74         3,10           Processing industry         33,38         33,61         34,19           Gas electricity supply         0,06         0,06         0,06           Water supply, garbage, recycling waste         0,09         0,10         0,10           Construction         4,85         4,88         5,32           Wholesale and retail of car & motorcycle         12,81         12,92         13,01           repair         22,37         2,31         2,29           Provision of accommodation and food and drink         3,71         3,84         3,77           drink         2,32         2,33         2,351	Agriculture, forestry and fisheries         23,95         23,14         21,37         20,71           Mining and excavation         2,51         2,74         3,10         3,14           Processing industry         33,38         33,61         34,19         34,51           Gas electricity supply         0,06         0,06         0,06         0,06           Water supply, garbage, recycling waste         0,09         0,10         0,10         0,10           Construction         4,85         4,88         5,32         5,70           Wholesale and retail of car & motorcycle         12,81         12,92         13,01         12,97           repair         12         2,37         2,31         2,229         2,244           Provision of accommodation and food and         3,71         3,84         3,77         3,72           drink         12         2,33         2,51         2,570

Table 2.2 Distribution of GRDP in the Regency of Batang on the basis of CurrentPrices by Business Field (Percent) in 2015-2019

No	Sector	2015	2016	2017	2018	2019
12	Real estate	1,04	1,04	1,05	1,04	1,04
13	Company services	0,36	0,37	0,38	0,39	0,41
14	Adm. governance, defense and security	2,65	2,56	2,48	2,39	2,34
15	Education services	5,70	5,82	6,01	6,07	6,24
16	Health services and social activities	0,71	0,72	0,72	0,73	0,74
17	.7 Other services		1,81	1,86	1,90	1,98
	PDRB	100	100	100	100	100

Source: Central Bureau of Statistics, 2020

The dominance of the manufacturing and agricultural sectors in the Regency of Batang's GRDP from 2015 - 2019 is very high, each contributing more than 20 percent of the Regency of Batang's GRDP. Contribution Another influential sector is the trade sector which in the period 2015 - 2019 contributed more than 12 percent of GRDP. Meanwhile, other sectors are relatively small in contributing to GRDP.

# d. Leading Sector in the Regency of Batang

In addition to sectoral contributions to GRDP, the economic structure in the Regency of Batang can be seen based on the Location Quotient (LQ) value. The Location Quotient (LQ) method is carried out by comparing the output value of a particular sector in the Regency of Batang against the output value of the same sector at a higher level (Central Java Province). The leading sector can be identified if the calculation of the LQ value is greater than 1, so that the sector in the region has a higher output growth than output growth in the higher level sector.

No	Sector	2015	2016	2017	2018	2019
1	Agriculture, forestry and fisheries	1,54	1,53	1,49	1,47	1,51
2	Mining and excavation	1,09	1,08	1,22	1,23	1,21
3	Processing industry	0,95	0,97	0,99	1,00	1,00
4	Gas electricity supply	0,67	0,67	0,60	0,60	0,60
5	Water supply, garbage, waste and recycling	1,50	1,67	1,67	1,67	1,67
6	Construction	0,47	0,47	0,51	0,53	0,51
7	Wholesale and retail of car &	0,96	0,96	0,96	0,95	0,96

Table 2.3 Calculation of Location Quotient (LQ) Value of the Regency of Batang

No	Sector	2015	2016	2017	2018	2019
	motorcycle repair					
8	Transportation and warehousing	0,75	0,74	0,74	0,72	0,72
9	Provision of accommodation and food and drink		1,24	1,22	1,20	1,20
10	Information and communication	0,77	0,77	0,75	0,74	0,74
11	Financial Services and insurance	0,61	0,60	0,59	0,59	0,59
12	Real estate	0,63	0,62	0,62	0,62	0,62
13	Company services	1,06	1,03	1,00	0,98	0,98
14	Adm. governance, defense and security	0,93	0,89	0,88	0,88	0,88
15	Education services	1,37	1,36	1,36	1,35	1,35
16	Health services and social activities	0,86	0,84	0,82	0,82	0,82
17	Other services	1,22	1,19	1,19	1,19	1,21

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Source: Central Bureau of Statistics (data processed), 2020

From Table 2.3. shows which sectors are the leading in the Regency of Batang. From the LQ calculation, the leading sectors in Batang district are the water supply, waste, waste & recycling sectors, as well as the agriculture, forestry and fishery sectors. Leading sectors are sectors that are the mainstay in developing the regional economy of the Regency of Batang.

Within the scope of the region in a country, a commodity is said to have competitiveness if the commodity is not only sold in the local market, but also can compete outside the region. At the aggregate level, a sector of a region can be said to have competitiveness if the sector or sub-sector is not only able to supply the needs of the region but also outside the region. Sectors or sub-sectors that have such characteristics are called base sectors or sub-sectors. The existence of the economic base of an area plays a major role in developing the potential of the region. The economic basis determines the direction and priorities of the regional development concerned in order to obtain effective and sustainable development.

#### 2.2 Industrial Resources

The regency has the potential for industrial resources including industrial sector workers, natural resources as raw materials, training and development institutions and industrial investment. The potential of industrial resources in the Regency of Batang can be seen in Table 2.4 below:

Table 2.4. Industrial Resources in the Regency of Batang

No.	Industrial Resources	2019
1	Industrial sector workforce (person)	57.669
2	Educational institutions	
	a. Higher Education	
	- Number (Education unit)	3
	- Capacity (Person)	1.275
	b. Vocational High School	
	- Number (Education unit)	29
	- Capacity (Person)	13.382
3	Number of Training institutions (units)	21
4	Number of Research and Development institutions (R&D units)	1
5	Total Industrial investment (million rupiah)	578.275,15

Source: Disperindagkop and UKM of the Regency of Batang, 2019

As for investment in the industrial sector, it is the most vital thing to develop industry in a region. the Regency of Batang continues to experience an increase in the number of industrial investments with a dominant increase in small industries by 4.2 percent in the period 2018 to 2019.

Table 2.5 Development of Total Industrial Investment

in the Regency of Batang in 2017-2019

Industry Size	Total Investment (million rupiah)			
	2017	2018	2019	
a. Large and medium	335.835	335.835	344.894	
b. Small	214.305	223.843	233.380	
Amount	550.141	559.678	578.275	

Source: Disperindagkop and UKM of the Regency of Batang, 2020

2.3 Facilities and Infrastructure

Supporting facilities and infrastructure for industrial development in the Regency of Batang include roads, electricity, water, infrastructure/environmental management, industrial designation areas, and supporting infrastructure (test institutions, bonded areas, warehousing areas). The conditions of these facilities and infrastructure can be described as follows:

a) Roads

Roads are the most important land transportation infrastructure to facilitate various activities of the population and facilitate the flow of goods and services traffic. This publication presents the length of roads in the Regency of Batang with the status of regency roads, provincial roads, and national roads. In 2019 the length of regency roads reached 552.42 km, provincial roads 72.86 km, and national roads 52.67 km.

Table 2.6 the Regency of Batang Road Length by road type

2	0	1	9

Туре	Road Length (Km)
National Road	52,67
Provincial road	72,86
Regency road	552,42

Source: Central Bureau of Statistics, 2020

b) Electricity

PLN fulfills most of the electricity needs of the people in the Regency of Batang. The number of electricity customers from year to year is increasing. In 2019, it increased by 2.19% from the previous year, with the largest number of customers being households (91.07%), the rest being Industry and other businesses.

Table 2.7 Number of PLN Electricity Customers by Tariff Group in the Regency ofBatang in 2018-2019

Year	RT	Busine ss	Industry	other	Total
2019	200.016	11.351	336	7.896	219.608
2018	192.349	10.067	244	7.491	210.160

Source: Central Bureau of Statistics, 2020

### c) Water

The volume of drinking water distributed by PDAM in the Regency of Batang has increased. In 2019 the total volume of water distributed (sold) was 857,212 M3, an increase from the previous year which was 830,712 M3.

Sub-District	Ye	ar
Sub District	2018	2019
Wonotunggal	52.787	59.885
Bandar	54.334	56.364
Blado	16.808	18.550
Reban	3.024	2.042
Bawang	5.561	5.401
Tersono	49.212	45.878
Gringsing	38.135	34.524
Limpung	77.312	76.900
Banyuputih	-	-
Subah	29.857	36.739
Pecalungan	555	676
Tulis	43.340	49.169
Kandeman	15.638	19.837
Batang	438.588	444.439
Warungasem	5.561	6.808
Amount (M3)	830.712	857.212

Table 2.8 Amount of Drinking Water Volume Distributed by PDAM in the Regency of Batang by Sub-District (M3) in 2018-2019

Source: Central Bureau of Statistics, 2020

d) Infrastructure/environmental management

The availability of industrial facilities and infrastructure in the Regency of Batang still needs to be prepared. This can be seen from the limited number of infrastructure/environmental management and supporting infrastructure for industry in the Regency of Batang. Preparation of the availability of industrial facilities and infrastructure in the Regency of Batang is urgent considering that the Regency of Batang will be included in the national strategic program by making the Regency of Batang an Integrated Industrial Estate, *Kawasan Industri Terpadu* (KIT), covering an area of + 4,300 ha and its infrastructure.

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e) Industrial Designated Area

Based on Regional Regulation Number 6 of 2010 on Regional Spatial Planning (RTRW) of Central Java Province in 2009-2029 Article 84 that Industrial Designated Areas that become provincial priorities are Semarang City, Kendal Regency, Demak Regency, Rembang Regency, Cilacap Regency, Brebes Regency, and Kebumen Regency, In the explanation it is stated that the Industrial designation area is a provincial priority, other than the intended Industrial designation area, it can be allocated by the district/city government,

On the basis of shifts and future demands and based on considerations of population distribution, workforce, accessibility, land value and price, land carrying capacity, environmental carrying capacity, infrastructure carrying capacity, and other property values, according to Regional Regulation Number 13 of 2019 on Plans Regional Spatial Planning (RTRW) of The Regency of Batang for 2019-2039 Article 61 that the Industrial Designated Area of the Regency of Batang has a land area of approximately 3,310 (three thousand three hundred and ten) hectares.

No.	District	Land area (hectare)
1.	Bandar Sub-District	140
2.	Banyuputih Sub-District	759
3.	Batang Sub-District	320
4.	Blado Sub-District	4
5.	Gringsing Sub-District	662
6.	Kandeman Sub-District	332
7.	Reban Sub-District	1
8.	Subah Sub-District	25
9.	Tulis Sub-District	1.066
10.	Wonotunggal Sub-District	1
	Total	3.310

Table 2.9 Area of Industrial Designated Areas in the Regency of Batang by Sub-District

Source: the Regency of Batang RTRW Regional Regulation 2019 – 2039

# 2.4 Small and Medium Industry Empowerment

Based on the Regulation of the Minister of Industry Number 64 of 2016, the value of the Industry can be divided into large Industries, Medium Industries, and Small Industries. Small industry is an industry that employs a maximum of 19 (nineteen) workers and has an investment of less than Rp. 1,000,000,000.0 (One Billion Rupiah) excluding land and buildings for business premises.

Medium Industry is an Industry that employs a maximum of 19 (Nineteen) workers and has an investment of at least Rp. 1,000,000,000.00 (One Billion Rupiah) or employs at least 20 (Twenty) workers and has an investment of at most Rp.15,000,000,000.00 (Fifteen Billion Rupiah).

0							
	2018		2019				
Industry Size	Industry	Labor	Industry	Labor			
a. Large and medium	75	9.557	77	9.893			
b. Small	10.783	47.600	10.893	47.776			

Table 2.10 Number of Industries and Manpower by Industry Size in the Regency of Batang in 2018-2019

Source: Disperindagkop and UKM the Regency of Batang, 2020

IKM empowerment is carried out through strengthening IKM centers, technical service units, *unit pelayanan teknis* (UPT), increasing the number and quality of field extension workers, *tenaga penyuluh lapangan* (TPL), consultants and providing promotion centers for IKM development. The conditions related to the empowerment of SMEs can be seen in Table 2.10 below.

 Table 2.11 Empowerment of Small and Medium Industries

No.	Institutional	2019
1	Number of SMEs (Formal)	62
2	UPT (unit)	1
3	TPL (people)	-
4	Consultant (people)	-
5	Promotion Center (unit)	2

CHAPTER III. VISION AND MISSION OF REGIONAL DEVELOPMENT, AND OBJECTIVES AND TARGETS OF REGIONAL INDUSTRY DEVELOPMENT

**3.1** Vision and Mission of the Regional Development of the Regency of Batang

The preparation of industrial development goals and targets for the Regency of Batang takes into account the vision and mission of regional development in the Regency of Batang, and refers to the vision and mission of national industrial development and the vision and mission of industrial development in Central Java Province. The explanation of each vision and mission can be described as follows.

a. Long Term Development Vision and Mission of the Regency of Batang

In accordance with the the Regency of Batang Regulation Number 13 of 2007 on the Long-Term Development Plan of the the Regency of Batang for 2005-2025, the vision of the Regency of Batang is "A Prosperous, Advanced, Steady, and Independent Batang Based on Leading Potential". In order to create and build a common perception and commitment among all stakeholders towards the formulation of the substance of the 2005-2025 regional development vision, it is necessary to provide an explanation of the meaning of the vision so that all stakeholders in a synergistic and optimal manner can contribute to its achievement. The meaning of the vision is:

- 1. Batang, defined as an autonomous region. Autonomous regions (hereinafter referred to as regions) are legal community units that have territorial boundaries that are authorized to regulate and manage government affairs and public interests according to their own initiatives based on the aspirations of the people in the system of the Unitary State of the Republic of Indonesia. The region shows a unity of government and society along with all the potential it has.
- 2. Prosperous, means safe, peaceful and prosperous. A prosperous Batang community is synonymous with people who can enjoy peace in their lives, can carry out their duties and responsibilities well, and can enjoy the results in order to achieve a better life.
- 3. Forward, means moving/walking forward, coming forward, improving, being better than before, moving towards a high civilization. An advanced stem shows progress in reaching a better level than before, mainly characterized by a better level of intellectuality/rationality,

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including the increasing application of various sciences and technologies in social life, business, and governance.

- 4. Steady, means firm, unchanging, unwavering, stable, undisturbed, steadfast, steadfast, strong. Steady stems are expected to be able to stick to values and principles based on morals, ethics, and religion; so that it will be able to assist in creating stable and conducive local conditions for the implementation of development.
- 5. Independent, is defined as being independent, able to manage or overcome their own interests without depending on other parties. Independent stems are not interpreted as closing themselves off, but emphasizes on people who are able to optimize their various strengths and potentials for regional progress, able to become centers of new growth without neglecting the importance of networking aspects.
- 6. Based on superior potential, defined as based on local characteristics (strengths) that are higher, more important, more special than others so that there is a greater chance of success. Batang based on superior potential shows an area and its people who build based on local strengths as the basic capital, Batang's local strengths, among others, lie in the marine and fisheries, agriculture, and tourism sectors.

To realize the vision of Independent Based on Leading Potential", the long-term regional development missions to be implemented are as follows:

- 1. Improving the quality of human resources who are faithful and devoted, knowledgeable, healthy, have a high work ethic, responsive and participative
- 2. Community and regional economic improvement based on fisheries and marine, agriculture, and tourism, supported by other highly competitive sectors
- The development of good governance in the implementation of development, governance and public services, based on professionalism, capacity, capability, and networking
- 4. Improvement of infrastructure and facilities (infrastructure) that supports regional development based on local capabilities and potentials,
- 5. Development of socio-cultural life in order to support the creation of regional conditions that are prosperous, peaceful, orderly, safe, democratic, and conducive
- 6. Improving the quality of the environment supported by sustainable management of spatial and natural resources.

b. The Vision and Mission of the Regency of Batang's Medium Term Development

In accordance with the vision and mission of the Regent and Deputy Regent of Batang for the 2017-2022 period, the Vision of the Regional Medium Term Development Plan (RPJMD) of the Regency of Batang for 2017-2022 is "The Realization of a Harmonious, Energetic, Competitive, Religious, Peaceful and Prosperous Regency of Batang in 2022". To build a common view and commitment from all stakeholders, the meaning contained in the vision can be explained as follows:

a. Harmonious Batang

The Harmonious Batang means that the government runs in line with the aspirations of the people (aspirations); Strengthening the State Civil Apparatus, *Aparatur Sipil Negara* (ASN) where existing employees are regional assets that must be developed and utilized; Batang Development which maintains harmony and synergy with national development and the development of the province of Central Java; Strengthening cooperation (central and inter-regional) as well as with all stakeholders in building Batang together.

b. Energetic Batang

The Energetic Batang means focusing on the development of the whole Batang people, the availability of excellent and complete health services, basic education services, development of vocational education based on Batang's local potential, as well as a stimulus for the community to cultivate all existing potentials so that they have high and sustainable economic value in order to raise people's standard of living.

c. Competitive Batang

The Competitive Batang means Batang that continues to grow and develop beyond other regions, Batang that is Pro-Investment and the integration of sustainable agribusiness development and tourism (edu tours and religious tourism) while still applying the principles of sustainable development.

d. Religious Batang

The Religious Batang means that Batang people are obedient in practicing their respective religious teachings, where the local government guarantees the freedom of all people to carry out worship according to their religion in an orderly manner where the local government facilitates the guidance and development of proportional religious practice.

e. Peaceful Batang

The Peaceful Batang means the peaceful, secure and peaceful life of the Batang community, as well as the creation of harmony throughout the community where crime continues to fall; Development of an integrated regional disaster management system as an early warning mechanism for disaster management systems.

f. Prosperous Batang

The Prosperous Batang as the ultimate goal of various aspects of existing development, which means that the people of Batang are physically and mentally prosperous where per capita income, family purchasing power (on clothing, food and shelter) of the community have increased, as well as the fulfillment of the right to education, fulfillment of the right to education, health and facilitating the actualization needs of each Batang community.

To realize the vision of the the Regency of Batang RPJMD in 2017 - 2022, the mission that must be carried out by the Government together with the the Regency of Batang community is formulated as follows:

- a. Improving the quality of public services with smart city-based governance supported by the development of cooperation.
- b. Improving the quality of human resource development as a whole through optimizing the community empowerment movement in various fields in an integrated manner.
- c. Improving regional economic development in a sustainable manner supported by quality infrastructure and environmentally friendly areas while still applying the principles of sustainable development.
- d. Improving security, peace and harmony (regional conduciveness) for the implementation of development is supported by the practice of religious teachings and noble cultural values.
- c. National Industrial Development Vision and Mission

The national industrial development vision is contained in the 2015-2035 National Industrial Development Master Plan. The formulation of the National Industrial Development Vision is "Indonesia Becomes a Tough Industrial Country". The 2015-2035 National Industrial Development Vision is characterized by 3 things as follows:

1. a strong, deep, healthy and just national Industrial structure;

- 2. Industry that is highly competitive at the global level; and
- 3. Industry based on innovation and technology.

In order to realize this vision, national industrial development carries out 7 missions. The seven missions are as follows:

- 1. increasing the role of national industry as a pillar and driver of the national economy;
- 2. strengthening and deepening the national Industrial structure;
- 3. improving independent, competitive, and advanced Industry, as well as green Industry;
- guaranteeing business certainty, fair competition, and prevent the concentration or control of Industry by one group or individual that is detrimental to the community;
- 5. opening up business opportunities and expanding job opportunities;
- 6. increasing the spread of industrial development throughout Indonesia in order to strengthen and strengthen national resilience; and
- improving the prosperity and welfare of the community in an equitable manner.
- d. Vision and Mission of the Industrial Development in the Province of Central Java

The development of the Industrial sector in the Province of Central Java refers to the national industrial development vision as stated in the 2015-2035 National Industrial Development Master Plan and the 2013-2018 Central Java Provincial Development Vision, namely "Towards a Prosperous and Independent Central Java" *Mboten Corruption, Mboten Ngapusi.* By taking into account the vision and mission of the development of the Province of Central Java and the vision and mission as well as the national industrial development strategy, the vision for the industrial development of Central Java Province in 2017 – 2035 is as follows:

"The Realization of a Competitive Central Java Industry

# and sustainable"

In order to realize this vision, the Industrial development of the Province of Central Java carries out 4 (four) missions as follows:

- increasing the role of Central Java Industry as a pillar and driver of the economy of Central Java;
- strengthening and deepening the industrial structure of Central Java;
- 3. building and developing Industrial resources; and

- 4. ensuringbusiness certainty and fair competition.
- 3.2 Industrial Development Goals of the Regency of Batang

The purpose of industrial development in the Regency of Batang cannot be separated from the economic development goals of the Regency of Batang itself. The long-term economic development goals of the Regency of Batang are enshrined in the Long-Term Regional Development Plan of the Regency of Batang 2005 - 2025. Currently the Regency of Batang has entered the third RPJPD (2017-2021) period and will enter the fourth RPJPD period (2022 - 2025). Regarding industrial development, the third period of the the Regency of Batang RPJPD has a development priority scale to "further strengthen the comprehensive development of the Regency of Batang in various fields of development by emphasizing on achieving the quality of human resources, achieving government service quality, achieving regional independence, and achieving competitiveness. regional superior commodities. The fourth period of the The Regency of Batang RPJPD has a development priority scale to realize a prosperous, advanced, stable and independent the Regency of Batang based on superior potential through strengthening development in various fields which emphasizes the excellent quality of governance and public services, the advancement of human resources and the economy. regions, reducing inequality, supported by a stable political situation, security and order and the environment.

By also paying attention to the the Regency of Batang Regional Regulation Number 1 of 2018 where the third mission of the the Regency of Batang RPJMD is "Improve sustainable regional economic development supported by environmentally friendly quality infrastructure and areas while still applying the principles of sustainable development", then the industrial development goal of the Regency of Batang is as follows:

- a. Increasing the growth and contribution of the processing industry to the Gross Regional Domestic Product (GRDP) of the Regency of Batang based on superior potential;
- b. Increasing the supply chain of industrial raw materials and the intersectoral value chain supporting the processing industry in the Regency of Batang;
- c. Increasing the market share of both domestic and foreign industries through the development of promotion and market penetration of regional products;
- d. Developing upstream Industry through the development of the agricultural sector in a broad sense and directed to produce products

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that are based on the agro-industrial system, in order to ensure food availability and increase added value;

- e. Increasing the role and contribution of MSMEs through the development of business scale and market access in order to encourage competitiveness and increase MSME market coverage;
- f. Increasing the use of science and technology to encourage productivity and quality of regional superior products that have comparative and competitive advantages in order to encourage the growth of an increasingly quality industrial sector;
- g. Improving the competence of the workforce, both skilled and educated workers who are adaptive to the development of technology and information.
- h. Increasing cooperation and strategic partnerships that support increased investment, development of appropriate science and technology, and increase market access for superior products, as well as increase workforce competence; and
- i. Creating a competitive business climate and preventing the centralization or control of Industry by one group or individual that is detrimental to the community.
- 3.3 Industrial Development Goals

The Industrial Development Targets of the Regency of Batang include 6 (six) main targets. The six targets are:

- The achievement of an increase in the growth of the Industrial sector to reach 2 (two) digits so that the contribution of Industry in Gross Regional Domestic Product (GRDP) reaches 35% (thirty percent);
- 2. There was an increase in market share at home and abroad as seen from the increase in exports by reducing dependence on imports;
- 3. Increasing the contribution of small and medium industries to industrial growth in The Regency of Batang and Central Java Province;
- 4. Strengthening the industrial structure with the development of upstream and intermediate industries based on regional superior products;
- 5. improving the mastery of technology and innovation by educated and skilled workers; and
- 6. The creation of sustainable and competent employment in the Industrial sector.

Performance achievement targets, industrial sector development targets in the Regency of Batang are quantitatively presented in Table 3.1 below:

		r	r			1
No.	Industrial Development	TT	Year	Year	Year	Year
	Indicators	Unit	2019	2025	2030	2041
1.	Production growth	%	5,17	7,27	8,42	10,72
	Processing industry	%				
2.	Contribution of the	0/	33,44	33,86	34,40	35,25
	Industrial sector to GRDP	%				
3.	Industrial product export	Million		57,57	59,79	63,13
	value	US\$	56,57			
4.	Number of workers in the	Deemle	57 660	50.064	60.271	66.002
	Industrial sector	People	57.669	59.964	62.371	66.223
5.	Industrial sector	Billion		621,54	679,95	774,00
	investment value	Rupiah	578,27			

Table 3.1 Quantitative Targets of Industrial Sector Development the Regency of Batang (2021-2041)

\*Estimated value from data from the Central Bureau of Statistics and the Industry, Trade, Cooperatives and SMEs Office of The Regency of Batang

To achieve the projected target, there are several assumptions supported by the commitment of the the Regency of Batang Government to realize the following conditions:

- a. political and economic stability that supports increasing national economic growth between 6% (six percent) to 9% (nine percent) per year;
- b. global economic developments that can support the growth of national exports, especially industrial products;
- c. investment and financing climate that encourages increased investment in the Industrial sector;
- d. availability of infrastructure that can support increased production and smooth distribution;
- e. the quality and competence of Industrial HR develops and supports the increased use of technology and innovation in the Industrial sector;
- f. policies related to natural resources that support the implementation of the downstream Industry program optimally; and
- g. inter-sectoral coordination and the active role of relevant Regional Apparatuses in industrial development.

To achieve the targeted target, industrial development phasing in the Regency of Batang needs to be carried out. In line with the stages of Industrial development in the RPJPD and RPJMD of the Regency of Batang, the stages of Industrial development can be divided into 3 (three) stages as follows:

**Phase I (2021-2025)** Strengthening Industry through increasing production and productivity, strengthening production and marketing chains **Phase II (2026-2030)** Industrial development marked by product standardization, innovation, increased use of technology, and the realization of a green industry Phase III (2031-2041) Industrial Consolidation marked by the formation of an industrial ecosystem, increased competitiveness, and the opening of a wider market share.

Phase I (2021-2025): At this stage it is intended that the Industry in the Regency of Batang is able to increase industrial production and productivity with a stronger production chain from upstream to downstream which is marked by the availability of low-priced raw materials, continuous improvement of the quality of workforce , increasing the capacity of machinery and technology, increasing the utilization of industrial areas and industrial designation areas, as well as the strength of the domestic market and the opening of international markets.

Phase II (2026-2030): At this stage Industry in the Regency of Batang is expected to improve product quality standards through product standardization and certification, optimize innovation both from production and marketing, and utilize better technology. In addition, industry and industrial players in the Regency of Batang are expected to be more concerned with carrying capacity and environmental conservation, and realizing a green industry. This development stage still requires the realization of the previous stage, namely the strengthening of the industry through increasing production, productivity, strengthening the production chain and marketing.

Stage III (2031-2041): This third stage is the steady condition of the Industry in the Regency of Batang which requires that the previous two stages have been achieved. This third stage is the stage of industrial consolidation which is marked by the formation of an industrial ecosystem, increased competitiveness as reflected in increased competitive advantage, and the opening of a wider market share. The existence of industrial estates and existing industrial designation areas is expected to have a stronger role with the formation of clusters. The competitive advantage of Industry in the Regency of Batang can be realized through efficiency and standardization of production according to market needs, so that Industry in the Regency of Batang is able to strengthen and expand its market share.

# CHAPTER IV

# INDUSTRIAL DEVELOPMENT STRATEGIES AND PROGRAMS OF THE REGENCY OF BATANG

4.1 Industrial Development Strategy

The Industrial development strategies undertaken to achieve the Industrial development targets are as follows:

- Strengthening the supply of quality and sustainable Industrial raw materials;
- 2. Developing superior resource processing industry with a strong and competitive industrial structure;
- Developing regional Industry competence in each commodity base of leading Industry;
- 4. Increasing support for strengthening human resources, institutional business actors and strong connectivity in the industrial structure between business units;
- 5. Improving a conducive and responsible industrial business climate;
- 6. Increasing cooperation between related institutions, including central, regional, research institutions, and so on;
- 7. Increasing the development of infrastructure and facilities essential for the growth and development of the Industry including accessibility to sources of raw materials and marketing;
- 8. Developing Industrial Designated Areas;
- 9. Building an Industrial Estate according to the plan;
- 10. Building a Center for Small and Medium Industries;
- 11. Building Communal IPAL for Industry as an effort to create an environmentally friendly Industry;
- 12. Strengthening the synergy and coordination between Regional Apparatus Organizations (*Organisasi Perangkat Daerah*/ OPD) related to industrial licensing;
- Developing an industrial designation area in the northern coastal road corridor area (Pantura);
- 14. Developing agro-industry to increase the added value of agricultural products;
- 15. Developing creative industries made from local raw materials in each sub-district; and
- 16. Developing facilities and infrastructure to support industrial development.

4.2 Industrial Development Program

The Industrial development program in the Regency of Batang includes the determination, targets and programs for the development of leading industries, development of industrial resources, development of industrial facilities and infrastructure, development of industrial areas, and empowerment of small and medium industries (IKM).

- 1. Determination, targets and development programs for the leading industry of the Regency of Batang
  - a. Determination of the Leading Industry of the Regency of Batang

In accordance with the the Regency of Batang RPJMD 2017-2022, the leading industries of the Regency of Batang include the following sectors:

(1) primary form of fishery and seaweed;

(2) secondary includes textiles, batik, metal, furniture, fish processing;(3) tertiary in the form of services and trade.

Meanwhile, the superior potential that the Regency of Batang has and can continue to develop is the garment and furniture industry; agropolitan Sorban wali, STA Limpung in Limpung Sub-District, with the main commodities of green onion, cayenne pepper, potato, durian, corn, tea, coffee, patchouli, simmental beef, freshwater fishery, honey, crackers, people's tea; the mlinjo chips cluster, essential oil, fishery, metered tourism, batik, leather craft; Shipyard; as well as Agro Pagilaran tourist destinations, Sigandu Beach and Ujungnegoro. The determination of this leading industry fulfills 3 (three) main criteria and 10 sub-criteria (factors). The three main criteria include:

- a) Excellence Criteria; includes marketing factors, availability and continuity of raw materials, human resources support, policy support and government institutions.
- b) Benefit Criteria; includes economic value added factors, social added values and regional prestige/distinctiveness.
- c) Stakeholders Acceptance Criteria; includes factors of readiness and willingness of the community, government and business actors.

The 10 sub-criteria (factors) referred to in this case are:

- a) Economical added value/ increase of local revenue ;
- b) Social added value/ labor absorption and welfare improvement;

- c) Availability and continuity of raw materials/support of natural resources;
- d) Aspects of marketing/access and market volume;
- e) Government policy and institutional support;
- f) Human resource support;
- g) Regional peculiarities;
- h) Community readiness and readiness;
- i) Government readiness and readiness; and
- j) Readiness and willingness of business actors.

In addition to the above analysis, in the series of determining the leading Industry, the province also takes into account several criteria based on various criteria, namely:

- a) Identification of regional potential;
- b) List of national priority industries based on RIPIN;
- c) List of provincial priority industries based on Central Java RPIP
- d) The recommendation for priority industries for the Regency of Batang is based on synchronization of regional potential with national priority industries (RIPIN), Central Java priority industries (RPIP) and considerations of strategic aspects of industrial development in the Regency of Batang.

Based on the analysis of 3 (three) main criteria and 10 sub-criteria (factors), the leading industries of the Regency of Batang and their locations can be seen in Table 4.1 below:

Table 4.1 Leading Industry of the Regency of Batang based on Indonesian Standard Classification of Business Fields (KBLI) 2017

No.	Leading Industry	Industry Type	Location
1.	Food industry	Fish Processing Industry	Batang Sub-District, Banyuputih Sub-District, Limpung Sub-District, Subah Sub-District, Kandeman Sub-District, Tulis Sub-District, Gringsing Sub-District, Reban Sub-District, Bandar Sub-District
		Refreshing Ingredients (Coffee, Decafin, Supplements, Tea based,	Blado Sub-District, Gringsing Sub-District

No.	Leading Industry	Industry Type	Location
		Honey, etc.)	
			Gringsing Sub-District,
		Honey Industry	Tersono Sub-District,
			Banyuputih Sub-District
	Manufacture of	Wood Industry, Wood	Batang Sub-District,
	wood, goods from	and Cork Products	Subah Sub-District,
	wood and cork	(Excluding Furniture)	Banyuputih Sub-District
	(excluding	Woven Items from	Warungasem Sub-District,
2.	furniture) and	Bamboo, Rattan, and the	Batang Sub-District,
	woven goods	Like	Subah Sub-District
	from bamboo,		Gringsing Sub-District,
	rattan and the	Wood Processing	Batang Sub-District,
	like		Subah Sub-District
	Leather, Leather		
	goods and	Leather, Leather Goods	Warungasem Sub-District,
3.	Footwear	and Footwear Industry.	Bawang Sub-District
	Industry		
			Bawang Sub-District,
	Upstream Agro Industry	Oleochemical Industry (Essential Oil)	Reban Sub-District, Blado
4.			Sub-District, Bandar Sub-
			District, Wonotunggal
			Sub-District
5.	Motor vehicle,	Body Industry	Subah Sub-District
	trailer and semi-		
	trailer industry		
	Other		
G	transportation	Ship and Boat Building	Datama Sup District
6	equipment	Industry	Batang Sub-District
	industry		
			Gringsing Sub-District,
			Batang Sub-District,
	Francisson		Subah Sub-District,
7.	Furniture	Furniture Industry	Banyuputih Sub-District,
	Industry		Tersono Sub-District,
			Kandeman Sub-District,
			Bandar Sub-District

No.	Leading Industry	Industry Type	Location
			Batang Sub-District,
			Warungasem Sub-District,
			Kandeman Sub-District,
		Textile industry	Subah Sub-District,
0	Tootile in deset		Tersono district, Reban
8.	Textile industry		Sub-District, Limpung
			Sub-District
		Dotil- Inductor	Batang Sub-District,
		Batik Industry	Warungasem Sub-District
		ATBM Weaving Industry	Warungasem Sub-District
	Apparel Industry		Reban Sub-District, Blado
		Knitted/Embroidered	Sub-District, Bawang
9		Apparel Industry	Sub-District, Pecalungan
			Sub-District

#### b. Leading Industry Development Goals and Programs

To focus on the achievement of the leading industrial development of the Regency of Batang based on regional superior products and market opportunities, the objectives and programs for the development of leading industries are described as follows:

#### 1) Fish Processing Industry

	Target	
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041
a. Increasing the	a. Development of	a. The establishment of a
availability of raw	supporting industries	modern fish processing
and auxiliary	for the continuity of	Industry;
materials;	sources of auxiliary	b. Development of energy-
b. Fulfillment of	materials for the fish	saving and
standardization and	processing industry;	environmentally friendly
legalization of fish	b. Increasing utility	fish processing industry;
products;	capacity;	c. Development and
c. The formation of a	c. Fresh fish export	strengthening of
fish processing	restrictions;	research and
industry cluster;	d. Fulfillment of HR and	development in fish
and	product certifications;	processing industry

d. Increasing human	and	centers; and		
resources of experts	e. Product diversification	d. Development of more		
in the ready-to-use	and added value	modern fish processing		
fish processing	enhancement.	technology in order to		
industry.		improve fishery products		
		in accordance with		
		international standards.		
Strategy				

a. Strengthening linkages at all levels of the value chain of the fish processing Industry;

- b. Applying modern technology for fish processing so that the product conforms to standards, such as SNI and food safety;
- c. Expanding market penetration and promotion of fishery products;
- d. Encouraging the development of ready-to-use industrial human resources, especially in the field of quality management and production techniques; and
- e. Developing and strengthening the research and development of the fish processing industry in order to improve quality assurance and product safety.

	Action Plan					
	Period 2021 – 2025		Period 2026 – 2030		Period 2031 – 2041	
a.	Increasingpartnersh	a.	Completing the	a.	. Encouraging investment	
	ips and integration		facilities and		in modern fish	
	between the		infrastructure of the		processing industry;	
	upstream and		fish processing	b.	. Improving the ability of	
	downstream sides		industry, among		laboratory quality testing	
	in order to increase		others, through the		for fishery products	
	the guaranteed		assistance of marine		through the assistance	
	supply of fish raw		product processing		of tools and technical	
	materials;		machines/equipment		assistance;	
b.	Holding a workshop		to potential areas in	c.	Building an information	
	on the construction		coordination with		center for the marine	
	of the fish		relevant agencies;		product industry at the	
	processing industry	b.	Improving the ability		location of the fish	
	cluster in the		to procure machinery		processing industry	
	context of		and equipment to		development cluster;	
	socializing the fish		support fish	d	. Increasing cooperation	
	processing industry		processing		in research and	
	cluster;		businesses;		development of process	

C	Increasing	C	Strengthening export-		technology and product
с.	e	с.	oriented fish		
	understanding of				technology between the
	food standards, and	1	processing industry;		industrial sector and
	food safety;	d.	Increasing the role of		research
d.	Improving the		universities in		institutions/institutions
	competence of		product		and universities;
	human resources		diversification;	e.	Improving the
	on production	e.	Coordinating with		competence of human
	process technology		related agencies for		resources that are
	for supervisory		handling fishery		oriented towards high
	officers and		waste pollution in		technology and
	entrepreneurs;		fishery centers; and		environmentally friendly;
e.	Facilitating the	f.	Conducting		and
	procurement of cold		certification to	f.	Improving the
	storage on a larger		improve quality		competence of human
	scale; and		assurance and		resources in the fields of
f.	Dissemination and		product safety of the		postharvest technology
	facilitation of		fish processing		and fish processing as
	legalization and		industry (Halal		well as business
	labeling of fishery		certification) and the		management through
	products.		application of product		education and training.
			certification (SNI)		
			through quality		
			management		
			education and		
			training and		
			compiling guide		
			books.		

## 2) <u>Refreshing Ingredients (Coffee, Decafin, Supplements, Tea based, Honey, etc.)</u>

Target					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. Increasedguarantee	a. Increasing of domestic	a. Developing and			
of raw material	and export market	diversifiying products			
supply; and	share; and	based on coffee, tea, and			
b. Improving the	b. The realization of an	honey; and			
quality of raw	increase in the engine	b. Increasing production			

materials.	capacity of the factory	capacity in accordance	
	for freshener products	with quality standards.	
	by increasing the		
	quality and volume of		
	production.		
Strategy			

- a. Increasing factory utility;
- b. Improving production efficiency and energy use; and
- c. Developing appropriate technology downstream including supporting industries, strengthening design and strengthening research and development.

Action Plan					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. Realizing mastery of	a. Expanding the market	a. Developing product			
production	area to non-	quality and product			
capabilities;	traditional markets	design for local brand			
b. Improving the	through promotions	fresheners that can			
quality of expert	and trade missions;	compete with well-			
human resources;	and	known brand products;			
and	b. Improving the ability	b. Developing and			
c. Developing product	to master technology	Improving the			
design and	and production.	capabilities of Industrial			
diversification.		HR (design, quality and			
		production process); and			
		c. Increasing mastery of			
		technology and product			
		development.			

## 3) <u>Honey Industry</u>

Target					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. Increasing	a. Increasing the	a. Increasing the			
population of honey	competitiveness of the	productivity of honey bee			
bee cultivation;	honey industry	cultivation;			
b. Improving honey	through innovative	b. Increasing mastery of			
quality through the	packaging and	technology in an effort to			
application of Good	marketing;	improve the quality of			

	Farming Practices	b.	Increasing the	honey products;
	(GFP); and		number of community	c. Development of
c.	Increasing		members practicing	diversified honey
	partnership between		honey bee cultivation;	processed products that
	the Honey	c.	Improving the quality	have high
	Processing Industry		of processed products	competitiveness; and
	and honey		with raw materials of	d. Increasing partnership
	beekeepers, either		honey; and	between honey
	directly or	d.	Application of honey	beekeepers, industry,
	indirectly.		authenticity	and tourism
			certification.	management /
				edutourism.
		1	Strategy	1
a.	Increasing product ac	lde	d value, investment, for	eign exchange earnings, and
	employment;			
b.	Increasing utilization	of e	existing industrial produ	ction capacity; and
c.	Establishing certificat	ion	of authenticity of honey	products.
			Action Plan	
	Period 2021 – 2025		Period 2026 – 2030	Period 2031 – 2041
a.	Together with	a.	Increase counseling to	a. Improving the ability of
	relevant agencies to		honey beekeepers to	honey bee cultivation
	create a conducive		improve honey quality	from small to medium
	business climate to		so as to increase	scale so as to reduce
	encourage the		income;	fixed costs at the
	growth of the honey	b.	Providing soft loans to	producer level;
	industry; and		cooperatives and	b. Increasing human
b.	Together with the		honey beekeeper	resources and providing
	relevant agencies,		groups to purchase	integrated land so as to
	they are working on		equipment so that	increase the productivity
	a special area for		they can improve the	of honey bee cultivation;
	honey bee		quality of honey	and
	cultivation.		products;	c. Deepening research &
		c.	Provide technical	development for quality,
			counseling and	useful, and integrated
			training to improve	honey product
			the quality of human	innovation.
			resources; and	
		d.	Conduct local honey	
L				

Target			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Increased supply of	a. Export increase;	a. The realization of	
raw materials;	b. Increased cooperatio	n continuity and balance	
b. Increased efficiency	between related	between demand and	
in the use of raw	sectors, for the sake	supply of raw materials;	
materials;	of creating expansion	b. The realization of an	
c. Improvement of	of job opportunities	environmentally friendly	
processed wood,	and increasing addee	d Industry;	
bamboo and rattan	value;	c. The realization of	
industries that have	c. The development of	independence in process	
SVLK, Sertifikasi	wider access to	technology and	
Verifikasi Legalitas	capital;	downstream wood	
Kayu (Wood Legality	d. Improvement of	processing machinery;	
Verification	infrastructure and	d. The realization of	
Certification);	production	independence in the field	
d. Improving the	technology;	of design so that there is	
quality of human	e. Encouraging financia	al a strengthening of the	
resources;	institutions (Bank &	industrial base in the	
e. The establishment	Non-Bank) to finance	e position of world class	
of global market	Industry.	industry.	
access;			
	Strategy	1	
a. Increased competitiveness with the concept of a healthy, sustainable,			

### 4) Wood Industry, Wood and Cork Products (Excluding Furniture)

environmentally friendly Industry and dominates the market; andb. Improving the image of an environmentally friendly design in line with technological developments.

Action Plan				
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Accelerating the	a. Improving the	a. Maximizing the use of		
realization of the	regulation of trade	raw materials through		
use of alternative	arrangements in order	the application of SFM		
raw materials;	to ensure the	(Sustainable Forest		

b.	Encouraging the		fulfillment of raw		Management) and
	utilization of		material needs;		alternative raw
	terminals and sub-	b.	giving ease to obtain		materials;
	terminals in		soft loans as capital,	b	. Facilitating the
	industrial centers;		with low interest;		development of
с.	Encouraging the	C.	Develop a global		downstream wood
	realization of		market network by		processing machinery
	cooperation		utilizing cooperation		technology;
	between raw		with companies;	C	Facilitating Industry to
	material producing	þ	Increasing the role of	0.	update design
	regions and	u.	universities and the		developments in
	producing regions;		design community in		accordance with market
Ь	Encouraging the		creating product		tastes (market driven).
u.	processed wood		variants;		tastes (market unven).
	industry to have	P	Encouraging the		
	SVLK;	с.	development of		
	Facilitating the		industrial design and		
С.	establishment of a		engineering of		
			downstream wood		
	furniture training				
C	center;	c	industry machinery;		
f.	Facilitating HR	f.	Providing incentives		
	competency		in the context of		
	standards		technological		
	Indonesian National		innovation and design		
	Work Competency		development.		
	Standards;				
g.	Increase global				
	market penetration				
	and expansion.				

## 5) Woven Items from Bamboo, Rattan, and the Like

Target				
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. The realization of a	a. The creation of a	a. Establishment of a core		
system of fostering	conducive business	competency base for the		
and developing the	climate to protect the	Woven Goods Industry		
woven goods	raw material needs of	from Bamboo, Rattan		

+1					
industry from	the Woven Goods	and the like, including			
bamboo, rattan and	Industry from	handicrafts and artistic			
the like, including	Bamboo, Rattan and	goods;			
the handicraft and	the like, including	b. The realization of an			
art goods industry;	handicrafts and	integrated and			
b. Establishment of a	artistic goods;	synergized development			
business base for	b. The realization of the	and an increase in the			
woven goods made	Manufacture of	value chain of			
of bamboo, rattan	Woven Goods from	handicrafts and artistic			
and the like,	Bamboo, Rattan and	goods;			
including formidable	the like, including	c. The occurrence of a			
handicrafts and	handicrafts and	wider marketing network			
artistic goods; and	national arts goods	of woven products from			
c. Increased	that are able to	bamboo, rattan and the			
productivity,	compete in domestic	like.			
efficiency, quality	and foreign markets;				
and innovative	c. The many variants of				
design.	the designs of Crafts				
	and Art Items that				
	have been applied;				
	d. Increased cooperation				
	between related				
	sectors, in the context				
	of developing the				
	Woven Goods				
	Industry from				
	Bamboo, Rattan and				
	the like including				
	Handicrafts and Art				
	Items in order to				
	create expansion of				
	job opportunities and				
	increase added value.				
	Strategy				
a. Developing handicraf	t and art goods industry t	hrough OVOP; develop core			
competencies based of	competencies based on regional superiority in potential centers and support				
the availability of rav	the availability of raw materials, technology and craftsman skills, as well as				
local cultural, ethnic	local cultural, ethnic and traditional values.				

- b. Giving priority to the development of the Joint Business , *Kelompok Usaha Bersama* (KUB); This is done to facilitate the guidance and development of the art craft industry so that it always strives in an efficient and professional manner.
- c. Increasing cooperation between stakeholders and the business world; This is done to create synergistic cooperation and integration of coaching and development programs.
- d. Encouraging the growth of a more conducive business climate to encourage increased business enthusiasm for the handicraft and artistic goods industry with programs that are in accordance with the policy directions for developing IKM handicrafts.

	Action Plan				
	Period 2021 – 2025		Period 2026 – 2030		Period 2031 – 2041
a.	Providing guidance	a.	Assisting the	a.	Facilitating the
	and convenience in		implementation of the		exploration of the
	the management of		quality management		potential of the creative
	business licenses		system for the		industry of handicrafts
	and certainty of		creative Industry.		and regional superior
	place of business	b.	Assisting in the		arts.
	for creative		application of product	b.	Facilitating
	industries.		standards and		benchmarking of
b.	Providing incentive		production process		products, trends and
	support for creative		standards for creative		market opportunities for
	industries.		industries.		creative industries.
c.	Providing guidance	c.	Assisting in the use	c.	Facilitating the
	and ease to		and maintenance of		development of design
	administer		appropriate		innovations to anticipate
	intellectual property		technology, including		the development of
	right		ICT for creative		market trends for the
			industries.		creative industry.
		d.	Assist in the selection		
			and storage of raw		
			materials and		
			auxiliary materials for		
			creative industries.		

Target				
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Increased supply of	a. Export increase;	a. The realization of		
raw materials;	b. Increased cooperation	continuity and balance		
b. Increased efficiency	between related	between demand and		
in the use of raw	sectors, for the sake of	supply of raw materials;		
materials;	creating expansion of	b. The realization of an		
c. Improvement of	job opportunities and	environmentally friendly		
processed wood,	increasing added	wood industry;		
bamboo and rattan	value;	c. The realization of		
industries that have	c. The development of	independence in process		
SVLK (Wood Legality	wider access to	technology and		
Verification	capital;	downstream wood		
Certification);	d. Improvement of	processing machinery;		
d. Improving the	infrastructure and	d. The realization of		
quality of human	production	independence in the field		
resources;	technology;	of design so that there is		
e. The establishment of	e. Encouraging financial	a strengthening of the		
global market	institutions (Bank &	industrial base in the		
access.	Non-Bank) to finance	world class industry		
f. Increased	Industry.	position.		
production of wood				
waste crafts				
Strategy				

- a. Increased competitiveness with the concept of a healthy, sustainable, environmentally friendly Industry and dominates the market;
- b. Improving the image of an environmentally friendly design in line with technological developments;
- c. Creating cooperation with related institutions in order to expand the market for Industrial products;
- d. Conducting guidance and supervision of Industrial administration.

Action Plan					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. Accelerate the	a. Improving the	a. Maximizing the use of			
realization of the use	regulation of trade	raw materials through			
of alternative raw	arrangements in order	the application of SFM			

materials;	to ensure the	(Sustainable Forest
b. Encouraging the	fulfillment of raw	Management) and
utilization of	material needs;	alternative raw
terminals and sub-	b. Developing a global	materials;
terminals in	market network by	b. Facilitating the
industrial centers;	utilizing cooperation	development of
c. Encouraging the	with companies;	downstream wood
realization of	c. Increasing the role of	processing machinery
cooperation between	universities and the	technology;
raw material	design community in	c. Facilitating Industry to
producing regions	creating product	update design
and producing	variants;	developments in
regions;	d. Encouraging the	accordance with market
d. Encouraging the	development of	tastes (market driven);
wood processing	industrial design and	d. Controlling the
industry to have	engineering of	cultivation of processed
SVLK;	downstream wood	wood products from the
e. Facilitating HR	industry machinery;	forest strictly so that
competency	e. Providing ease to	production can continue
standards	obtain financing as	and water catchment
Indonesian National	capital;	areas are maintained.
Work Competency	f. Providing incentives in	
Standards;	the context of	
f. Increasing global	technological	
market penetration	innovation and design	
and expansion.	development.	
g. Introduction of		
green product-based		
production, green		
packaging, and		
green marketing;		
h. Facilitate production		
waste recycling		
management		

Target Period 2021 - 2025 Period 2026 - 2030 Period 2031 - 2041 a. Strong a. Develop technology a. Strengthening the strengthening of the and production Industrial structure by role of Industrial capabilities; growing Industries clusters: b. Increasing the providing raw materials capacity of human b. Strengthening the and supporting marketing of resources with Industries (accessories); processed leather ownership of b. Realization of leather, products; certification: leather goods and c. Increased use of c. Development of footwear Industry that footwear products funding and venture has world brand quality; for the local market; capital schemes c. Development of more d. Provision of qualified through financial modern leather raw materials and institutions; and processing technology in sufficient quantity; d. Coordinated order to improve interaction of e. Product design standards according to development by mutually supportive international markets: improving HR and beneficial and networks as well as d. The realization of the competencies; and an active role between f. Development of an green industry to the environmentally the center and the fullest friendly leather regions, the business processing industry. world and universities.

7) Leather, Leather Goods and Footwear Industry

#### Strategy

- a. Developing supply/production through the development of leather, leather goods and footwear Industries simultaneously with related supporting industries, which are more directed at developing raw materials for import substitution industries and developing leather, leather goods and footwear machinery industries;
- b. Developing technology through restructuring of machinery/equipment including supporting Industries, strengthening design and strengthening

research and development, ensuring environmentally friendly industries, as well as strengthening the structure of industries in the leather, leather goods and footwear industry;

- c. Improving the capabilities of human resources in the fields of design and production technology, sewing machine mechanics, shoelast manufacture, upper system sewing Satra and pattern and size standards as well as being supported by the ability to promote and expand the market;
- d. Expanding the domestic market and export market by optimizing the available facilities and infrastructure.

Action Plan			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Realizing mastery of	a. Develop technology	a. Strengthening the	
production	and production	Industrial structure by	
capabilities;	capabilities;	growing Industries	
b. Developing product	b. Increasing the	providing raw materials	
design;	capacity of human	and supporting	
c. Providing qualified	resources with	Industries (accessories);	
leather raw	ownership of	b. Building industrial	
materials;	certification;	centers based on leather	
d. Realizing a special	c. Development of	Industry, leather tanning	
market for products	funding and venture	Industry, footwear and	
made from leather;	capital schemes	leather goods Industry;	
e. Realizing	through financial	c. Realization of leather,	
institutional	institutions;	leather goods and	
relationships and	d. Strengthening	footwear Industry that	
networks;	networks with the	has world brand quality;	
f. Introduction of	business world,	d. Increasing the export of	
green product-based	central and local	leather, leather goods	
production, green	governments;	and raw leather footwear	
packaging, and	e. Development of	with international	
green marketing;	cooperation with	standard quality;	
g. Facilitate production	universities in the	e. Building a leather-based	
waste recycling	development of	industry, leather tanning	
management	processed leather	industry,	
h. WWTP construction	products.	environmentally friendly	
facilitation		footwear and leather	
		goods industry	
		f. Improved institutional	

coordination regarding
the development of green
industry-based leather-
based industries;

#### 8) Oleochemical Industry (Essential Oil)

Target				
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Optimizing the	a. Establishment of	a. Increased production of		
potential of	institutions in the form	essential oils for export		
patchouli, nutmeg,	of cooperatives or	purposes;		
and clove	associations that can	b. The establishment of		
plantations through	accommodate the	essential oil industrial		
the intensification of	marketing of essential	centers;		
existing plantation	oils;	c. The establishment of the		
lands and the use of	b. Growth and	downstream industry of		
marginal lands;	development of the	essential oil processing;		
b. The realization of a	essential oil processing	d. The realization of an		
stable essential oil	industry;	environmentally friendly		
industry cluster;	c. Conduct certification to	essential oil industry.		
c. The development of	improve quality			
people's plantations.	assurance and product			
	safety of the essential			
	oil industry.			
	Strategy			

a. Growing high-quality processing industry;

b. Increasing the ability to master essential oil refining technology to improve the quality of essential oils in the direction of increasing added value;

c. Development of essential oil products with high added value.

Action Plan			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Developing	a. Building partnerships	a. Carry out strict and	
cooperation with	between essential oil	continuous improvement	
relevant agencies	processing	and quality control for	
and regions	entrepreneurs and	the continuity of export	
producing essential	institutions in	marketing;	

oils to improve the		industrial centers;	b	. Increasing the
quality of plants as	h	Developing essential		empowerment of
raw materials for the	ν.	oil processing		business institutions;
production process;		facilities and	C	Growing
b. Establishing forums		infrastructure;	0.	mediation/intermediarie
for meetings	0	Improving product		s to bring together
between cluster	C.	quality;		
	ส	1 0		consumer wants/needs
members;	a.	Expanding product		with the resulting
c. Encouraging the		market;		product;
construction of	e.	Providing various	d	. Facilitating the
essential oil		possible sources of		processing of essential
processing business		capital;		oil waste and
facilities in	f.	Increasing		environmentally friendly
industrial centers;		cooperation with		essential oil industrial
d. Introduction of		universities in		areas;
essential oil		research and	e.	Development of essential
derivative products		development of		oil products into higher
with high added		essential oil products;		value-added products.
value;	g.	Conducting		
e. Apply essential oil		certification to		
processing		improve quality		
technology.		assurance and		
		product safety of the		
		essential oil industry		
		(Halal certification)		
		and the application of		
		product certification		
		(SNI).		

## 9) <u>Industri Karoseri</u>

Target			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Strengthening the	a. Establishing	a. There has been an	
structure of the	cooperation with	increase in the market	
body industry;	buyers, supporting	share of car body	
b. Sufficient competent	and related industries	products for both the	
human resources;	in the car body	domestic and export	

	88		
c. Increased ability of	industry cluster;	markets;	
the body industry to	b. The development of	b. The realization of an	
meet international	wider access to	environmentally friendly	
standards;	capital;	body industry.	
d. Increasing the	c. Fulfillment of product	c. Maintaining strategic	
competitiveness of	quality in accordance	partnerships between	
the body industry;	with market demand.	business actors, body	
e. Increased mastery of		parts, component SMEs,	
technology and		and automotive	
Research &		companies on a national	
Development (R & D)		and international scale.	
of the body industry.			
Strategy			
a. Strengthening the structure of the body industry structure;			
b. Improve the ability to meet international standards;			
c. Increasing the role of UPT, Universities and other stakeholders related to			
Research and Development (R&D) procurement of machinery and			
technological developments;			
d. Improving the ability of	of SMEs as suppliers of qua	lity and standardized	
components;			
e. Strengthen the integra	ated marketing network.		
	Action Plan		
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Facilitating the	a. Facilitating the	a. Facilitating the	
acceleration of the	establishment of	continuity of the	
design permit	better cooperation	establishment of better	

a. Facilitating the	a.	Facilitating the	a.	Facilitating the
acceleration of the		establishment of		continuity of the
design permit		better cooperation		establishment of better
process;		with buyers,		cooperation with buyers,
b. Provideingaccess to		supporting and		in expanding the market;
supply of raw		related industries in	b.	Increasing strategic
materials to increase		the body industry		partnerships between
quantity and quality		cluster.		Small and Medium
as well as diversify	b.	Improving the		Industries suppliers,
raw materials for		competence of HR of		body components;
supporting		IKM suppliers to the	c.	Facilitating increased
products;		body industry;		cooperation in expanding
c. Encouraging the use	c.	Encouraging financial		the market;
of domestic		institutions (Banks &	d.	Encouraging the use of
components through		Non-Banks) to finance		domestic production;
			1	

improvements in		the body industry;	e. Continuing the policy of
terms of quality,	d.	Encouraging	developing energy-
processes, products		increased cooperation	efficient, environmentally
and equipment;		between the business	friendly vehicles.
d. Undertaking the		world and research	
guarantee of raw		and development	
materials,		institutions in the	
equipment and		automotive industry;	
production	e.	Facilitating increased	
technology to		cooperation with	
improve product		overseas buyers in	
quality and		expanding the	
quantity;		market;	
e. Preparing industrial	f.	Facilitating the	
certification and		improvement of	
human resource		regulations that	
competencies in the		encourage the growth	
body sector to meet		and development of	
international		the car body industry;	
standards;	g.	Improving the ability	
f. Developing the raw		of the body	
material and		component industry	
component industry		and technology	
for the body		transfer.	
industry;			
g. Promotion of the			
body industry;			
h. Improving			
production			
technology and the			
quantity and quality			
of equipment.			
·			•

10) Ship and Boat Building Industry

Target			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Fulfillment of	a. Fulfillment of metal	a. The creation of ship	
standardized	casting production	component products	
products according	equipment that	that are known and	
to SNI national	produces	trusted for their quality	
certification from the	standardized ship	and can be accepted by	
Indonesian	components;	the international market;	
Classification	b. There is an increase	b. More and more ship	
Bureau, <i>Biro</i>	in the production	component Industries	
Klasifikasi	process of ship	are becoming	
Indonesia (BKI) and	component quality	suppliers/suppliers of	
internationally from	standards;	large Industries with	
the International	c. Increase of capacity of	long-term and more	
Maritime	human resources in	definite contracts;	
Organization (IMO);	controlling the quality	c. Realization of regional	
b. Increasing the role	of ship component	shipyards that have	
of the ship	products;	production facilities in	
component industry	d. Increase of the	the form of building	
in the supply of ship	number and	berths/graving docks	
components at	capability of the	capable of building ships	
national and	regional shipping	and repairing	
international levels;	industry/shipbuilding	ships/docking repairs	
c. Increase of	in shipbuilding;	up to a capacity of	
availability of new	e. Increase	300,000 DWT to meet	
markets with more	ofproductivity of the	domestic and foreign	
definite contracts;	regional	needs (world class	
d. Sufficient human	shipping/shipbuilding	industry);	
resources of experts	industry with shorter	d. There has been an	
and supervisors /	delivery times and	increase in the regional	
extension workers in	docking days.	shipping/shipbuilding	
the field of shipping;		industry in building	
e. Improved access to		ships of various types	
information and		and sizes such as	
promotions.		Corvettes, Frigates,	
		Cruise Ships, LPG	
		Carriers and other	
		special ships;	

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		e. There is growth and		
		development of the		
		regional ship component		
		industry to be able to		
		supply the needs of		
		domestic ship		
		components.		
	Strategy			
a. Making the domestic	market a base load for the c	levelopment of the shipping		
industry through the	use of domestic ship produc	ction & docking repair		
services;				
b. Strengthening and de	veloping the ship industry c	luster;		
c. Increasing the compet	titiveness of the industry th	rough strengthening and		
deepening the structu	re of the industry in order t	o increase local content and		
competitiveness of the	e shipping industry;			
d. Developing supporting	g industries in the country (	Industry of raw materials		
and ship components	;			
e. Developing a center for improving the skills of human resources;				
f. Improving mastery of technology through Ship Design and Engineering				
Development referring to the National Ship Design and Engineering Center,				
Pusat Desain dan Rekayasa Kapal Nasional (PDRKN);				
g. Conducting investmer	nt promotions;			
h. Improving the busines	ss climate.			
	Action Plan			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Undertaking raw	a. Restructuring the	a. Increasing		
material guarantees;	shipping industry	investment/expansion of		
b. Making	through	shipbuilding industry		
improvements in	modernization of	development with		
terms of the quality	machinery/equipment	production facilities for		
of processes,	;	new ships and ship		
products and	b. Developing design and	repairs;		
equipment;	engineering	b. Developing design and		
c. Transferring	capabilities for	engineering capabilities		
technology to meet	various types of ships	of various types of ships		
national and	through the	through the utilization of		

utilization of the

National Ship Design

international

standards;

the National Ship Design

and Engineering Center

d. Preparing industrial	and Engineering	(PDRKN);
and HR certification	Center	c. Strengthening the
in the shipping	(PDRKN)/Developmen	development of the
sector;	t of the shipping	shipping industry
e. Developing the	industry cluster;	cluster;
industry of raw	c. Developing a special	d. Increasing the use of
materials and ship	area for the shipping	standard ships
components;	industry/shipyard;	according to Indonesian
f. Developing the	d. Using standard ships	waters/characteristics;
industry of raw	according to	e. Increasing the use of
materials and ship	Indonesian	domestically produced
components;	waters/characteristics	vessels;
	;	f. Making
	e. Improving the quality	improvements/improvem
	and skills of human	ents of the business
	resources in the	climate;
	shipping sector;	g. Encouraging cooperation
	f. Encouraging financial	in the development of
	institutions (Banks &	special ships.
	Non-Banks) to finance	
	shipbuilding;	
	g. Increasing	
	cooperation with	
	foreign countries	
	(among governments	
	and among	
	companies).	

# 11) <u>Furniture Industry</u>

Target			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Increase of supply of	a. Increasing the variety	a. The realization of	
alternative raw	of furniture designs;	continuity and balance	
materials;	b. Increase of exports of	between demand and	
b. Improvement of the	furniture products;	supply of raw materials;	
furniture and	c. Increase of	b. The realization of an	
processed wood	cooperation between	environmentally friendly	

industry that has	related sectors, for the	Industry;			
SVLK (Wood Legality	sake of creating	c. The realization of			
Verification	expansion of job	independence in process			
Certification,	opportunities and	technology and furniture			
Sertifikasi Verifikasi	increasing added	processing machinery			
Legalitas Kayu);	value;	d. The realization of			
c. Improve the quality	d. The development of	independence in the field			
of human resources;	wider access to	of design so that there is			
d. The realization of	capital;	a strengthening of the			
orderly	e. Improvement of	furniture industry base			
administration of	infrastructure and	in the position of world			
financial statement	production	class industry.			
bookkeeping	technology;				
(profit/loss);	f. Encouraging financial				
	institutions (Banks &				
	Non-Banks) to finance				
	the furniture				
	industry.				
Strategy					
a. Increasing competitiveness with the concept of a healthy, sustainable,					

a. Increasing competitiveness with the concept of a healthy, sustainable, environmentally friendly Industry and dominates the market;

- b. Improving the image of an environmentally friendly design in line with technological developments;
- c. Creating cooperation with related institutions in order to expand the market for Industrial products;
- d. Conducting guidance and supervision of Industrial administration;
- e. Increasing cooperation between stakeholders and the business world is carried out to create synergistic cooperation and integration of coaching and development programs;

Action plan				
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Realizing the use of	a. Improving the	a. Maximizing the use of		
alternative raw	regulation of trade	raw materials through		
materials;	arrangements in order	the application of SFM		
b. Encouraging the	to ensure the	(Sustainable Forest		
utilization of	fulfillment of raw	Management) and		
terminals and sub-	material needs;	alternative raw		
terminals in	b. Providing ease to	materials;		

indus	strial centers;		obtain financing as	h	Facilitating the furniture
	uraging the		capital;	υ.	industry to adopt the
	ation of		Providing ease to the		development of
		с.	0		downstream wood
	eration between		entry of furniture		
	naterial		investment		processing machinery
-	acing regions	d.	Developing a global		technology;
	urniture		market network and	c.	Facilitating the
produ	acing regions;		utilizing cooperation		processing of furniture
d. Enco	uraging the		with companies;		Industry waste into
furni	ture and	e.	Increasing the role of		better value products for
proce	essed wood		universities and the		export market share;
indus	stry to have		design community in	d.	Facilitating the furniture
SVLK	, ,		creating product		industry to update the
e. Facili	itating the		variants;		development of furniture
estab	lishment of a	f.	Encouraging the		design according to
furni	ture training		development of		market tastes (market
cente	er;		industrial design and		driven).
f. Facili	itating HR		engineering of	e.	Building an
comp	etency		downstream wood		environmentally friendly
stand	lards		industry machinery;		furniture industry;
Indor	nesian National	g.	Providing incentives		
Work	Competency		in the context of		
Stand	dards;		technological		
g. Supe	rvise and assist		innovation and design		
the o	rderly		development;		
admi	nistration of	h.	Providing facilities		
finan	cial statement		and infrastructure to		
book	keeping		support productivity		
	t/loss);				

## 12) <u>Textile Industry</u>

Target					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. The realization of a	a. Increasing exports of	a. Increasing productivity,			
stable textile	the Textile Industry	quality and efficiency			
Industry cluster;	according to the	that are competitive			
b. There is an increase	target;	towards "competitive			

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in the quality of	b. Secure local market;	advantage";		
expert human	c. Achievement of	b. The development of a		
resources;	employment	local textile industry that		
c. Revitalization of	absorption;	already has intellectual		
production	d. Increasing awareness	property rights for export		
machines and tools;	of Industry players on	purposes;		
d. Availability of raw	Intellectual Property	c. Increasing		
materials at stable	Rights;	competitiveness through		
prices;	e. The realization of a	specifications on		
e. Industrial	green industry;	products from high		
development into an		value-added textiles and		
environmentally		high fashion made from		
friendly industry.		local raw materials.		
		d. Increased use of textile		
		products for local and		
		export markets;		
		e. The realization of the		
		green industry to the		
		fullest.		
	Strategy			
a. Improving the busine	ss climate in the fields of ra	w materials, energy,		
employment, technolo	ogy & product development,	marketing and		
infrastructure;				
b. Increasing cooperation	n between stakeholders and	l the business world to		
create synergistic coo	peration and integration of	coaching and development		
programs;				
c. Improving the compar	ny's capabilities in terms of	technology use, human		
resource capabilities, management, market access and product development.				
d. Facilitating the provision and operation of WWTPs for business actors				
through strengthening of centers				
	Action plan			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041		
a. Establishing forums	a. Preventing and	a. Improving mastery of		
for meetings	tackling illegal trade	technology and product		
between cluster	practices of imported	development:		

0		I B B III J
for meetings	tackling illegal trade	technology and product
between cluster	practices of imported	development;
members;	products;	b. Increase of productivity,
b. Continuing the	b. Expanding the market	quality and efficiency
implementation of	area to non-	that are competitive

the Industrial		traditional markets		towards "competitive
technology		through trade		advantage"
improvement		missions;	c.	Encouraging Industry to
program;	c.	Preparing the		use organic dyes in order
c. Increasing the		application of SNI;		to avoid non-tariff
availability of	d.	Preparing the		barriers in importing
natural fiber raw		revitalization of the		countries;
materials;		technical	d.	Improving the industry's
d. Encouraging		implementing unit for		ability to meet technical
business actors to		the small and medium		standards and social
create		textile industry;		compliance;
environmentally	e.	Increasing awareness	e.	Increasing the green
friendly industries;		of Industry players on		industry to the
e. Improving the		Intellectual Property		maximum.
quality of human		Rights;	f.	Encouraging the growth
resources including	f.	Develop the		of machinery, chemical
managerial human		availability of quality		and accessories
resources and expert		natural fiber and		industries
human resources		artificial fiber raw		
f. Introduction of		materials;		
green product-based	g.	Develop and improve		
production, green		the capabilities of		
packaging, and		Industrial HR (design,		
green marketing;		quality and		
		production process).		
	h.	Facilitate production		
		waste recycling		
		management		
	i.			

# 13) <u>Batik Industry</u>

Target					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. The realization of a	a. Increase exports of	a. Increase of productivity,			
solid batik Industry	the batik industry	quality and efficiency			
cluster;	according to the	that are competitive			
b. There is an increase	target;	towards "competitive			
in the quality of	b. Secure local market;	advantage";			

expert human	c. Achievement of	b. The development of the		
resources;	employment	local batik industry that		
c. Revitalization of	absorption;	already has intellectual		
machines and	d. Increase awareness of	property rights;		
production	Industry players on	c. Increased use of batik		
equipment;	Intellectual Property	products for local and		
d. Availability of raw	Rights;	export markets;		
materials at stable	e. Increase of	d. The realization of the		
prices; and	competitiveness	green industry to the		
e. Development of the	through the	fullest.		
batik Industry into	specification of batik			
an environmentally	products with high			
friendly industry.	added value and high			
	fashion made from			
	local raw materials;			
	and			
	f. The realization of a			
	green industry.			
Strategy				
a. Improving the business climate in the fields of raw materials, employment,				

a. Improving the business climate in the fields of raw materials, employment, technology & product development, marketing and infrastructure;

- b. Increasing cooperation between stakeholders and the business world to create cooperation and integration of coaching and development programs;
- c. Improving the company's capabilities in terms of technology use, human resource capabilities, management, market access and product development.
- d. Facilitating the provision and operation of WWTPs for business actors through strengthening of centers

Action plan					
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041			
a. Establishing forums	a. Expanding the market	a. Increasing mastery of			
for meetings	area to non-	technology and			
between cluster	traditional markets	development of batik			
members;	through trade	products;			
b. Continuing the	missions;	b. Increasing productivity,			
implementation of	b. Preparing the	quality and efficiency			
the Industrial	application of SNI and	that are competitive			
technology	ISO;	towards "competitive			
improvement	c. Preparing the	advantage";			

program;		revitalization of the	c.	Encouraging Industry to
c. Increasing the		technical		use organic dyes in order
availability of raw		implementation unit		to avoid non-tariff
materials;		for the small and		barriers in importing
d. Encouraging		medium-sized batik		countries;
business actors to		industry;	d.	Improving the industry's
create an	d.	Increasing awareness		ability to meet technical
environmentally		of Industry players on		standards and social
friendly batik		Intellectual Property		compliance;
industry;		Rights;	e.	Increasing market
e. Improving the	e.	Developing the		penetration capability;
quality of human		availability of high	f.	Increasing the green
resources including		quality raw materials;		industry to the
managerial human	f.	Developing and		maximum;
resources and expert		improving the	g.	Waste management
human resources;		capabilities of	0	Batik industry for
f. Introduction of		Industrial HR (design,		recycling.
green product-based		quality and		
production, green		production process);		
packaging, and	g.	Collaboration with		
green marketing;		designers to be able to		
		enter the garment		
		fashion design class		
		so that it can bring up		
		local brands that can		
		compete in the		
		market; and		
	h.	Increasing production		
		based on green		
		products, green		
		packaging, and green		
		marketing.		
	I			

# 14) Apparel Industry Embroidery/Embroidery

		Target		
Period 2021 – 2025		Period 2026 – 2030	Period 2031 – 2041	
a. The realization of a	a.	Increased exports of	a. Increase of productivity,	
solid embroidery		the embroidery	quality and efficiency	
Industry cluster;		industry according to	that are competitive	
b. There is an increase		the target;	towards "competitive	
in the quality of	b.	Secure local market;	advantage";	
expert human	c.	Achievement of	b. The development of the	
resources;		employment	embroidery batik	
c. Revitalization of		absorption;	industry that already	
embroidery	d.	Realization of	has intellectual property	
production		awareness of Industry	rights;	
machines and tools;		players on Intellectual	c. Increased use of	
d. Availability of raw		Property Rights;	embroidery products for	
materials at stable	e.	The realization of a	local and export	
prices;		green industry	markets;	
e. Development of the	f.	Increase of	d. The realization of the	
embroidery industry		competitiveness	green industry to the	
into an		through the	fullest.	
environmentally		specification of		
friendly industry.		embroidery products		
		with high added value		
		and high fashion		
		made from local raw		
		materials.		
	1	Strategy	<u> </u>	
a. Improving the business climate in the fields of raw materials, employment,				
technology and produ	ict d	levelopment, marketing;		
b. Improving the capacity of the embroidery industry's resources in terms of the				

- b. Improving the capacity of the embroidery industry's resources in terms of the use of technology, professionalism, management, market access and product development;
- c. Increasing cooperation between stakeholders and the ATBM business world to create cooperation and integration of coaching and development programs;

Action plan							
Period 2021 – 2025 Period 2026 – 2030 Period 2031 – 2041							
a. Establishing forums	a. Expanding the market	a. Improving mastery of					
for meetings	area to non-traditional	technology and					

between cluster	markets through trade	development of
members;	missions;	embroidery products;
b. Increasing	b. Preparing the	b. Improving the industry's
integration between	revitalization of the	ability to meet technical
upstream and	technical	standards and social
downstream sides in	implementation unit	compliance;
order to increase the	for small and medium	c. Increasing the ability
guarantee of the	industries of	and penetration of local
availability of raw	embroidery products;	and export markets;
materials;	c. Increasing awareness	d. Increasing the green
c. Encouraging	of Industry players on	industry to the
business actors to	Intellectual Property	maximum.
create an	Rights;	e. Increasing productivity,
environmentally	d. Developing the	quality and efficiency
friendly embroidery	availability of high	that are competitive
industry;	quality raw materials;	towards "competitive
d. Improving the	e. Developing and	advantage";
quality of human	improving the	
resources including	capabilities of	
managerial human	Industrial HR (design,	
resources and expert	quality and production	
human resources;	process);	
e. Encouraging	f. Increasing	
marketing through	collaboration with	
government	designers to be able to	
programs;	enter to create local	
f. Continuing the	brands that can	
implementation of	compete in the market.	
the Industrial		
technology		
improvement		
program;		
	1	1

## 15) ATBM Weaving Industry

Target			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. The realization of a	a. Secure local market;	a. Increase of competitive	

		a	
solid ATBM	b. Achieved production	productivity, quality, and	
Industrial cluster;	efficiency;	efficiency;	
b. There is an increase	c. The realization of a	b. Increase of domestic	
in the quality of	green industry;	and export market	
expert human	d. Realization of	share;	
resources;	competitiveness	c. Increase of	
c. Availability of raw	through specifications	competitiveness through	
materials at stable	on woven products	specifications on high	
prices;	with high added	value-added woven	
d. Development of	value.	products for export	
ATBM Industry into		commodity standards;	
an environmentally		d. The realization of the	
friendly Industry.		green industry to the	
		fullest.	
		e. The development of a	
		local weaving industry	
		that already has	
		intellectual property	
		rights.	
Strategy			

- a. Strengthening linkages at all levels of weaving and apparel;
- b. Developing downstream supporting industries, strengthening designs, and strengthening research and development;
- c. Increasing cooperation between stakeholders and the ATBM business world to create cooperation and integration of coaching and development programs;
- d. Improving the company's ability in terms of human resource development in the field of quality management and production techniques.

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Action plan			
Period 2021 – 2025	Period 2026 – 2030	Period 2031 – 2041	
a. Establishing forums	a. Expanding the market	a. Improving market	
for meetings	area to non-traditional	penetration product	
between cluster	markets through trade	development capabilities	
members;	missions;	b. Improving the industry's	
b. Increasing	b. Preparing the	ability to meet technical	
partnerships and	revitalization of the	standards and social	
integration between	technical	compliance;	
upstream and	implementation unit	c. Encouraging Industry to	
downstream in order	for small and medium-	use organic dyes in order	

to increase the	sized woven products;	to avoid non-tariff
guarantee of raw	c. Increasing awareness	barriers in importing
material supply.	of Industry players on	countries;
c. Encouraging	Intellectual Property	d. Realizing the green
business actors to	Rights;	industry to the fullest.
create an	d. Developing the	e. Facilitating local weaving
environmentally	availability of high	industry that already
friendly ATBM	quality raw materials;	has intellectual property
Industry;	e. Developing and	rights.
d. Improving the	improving the	
quality of human	capabilities of	
resources including	Industrial HR (design,	
managerial human	quality and production	
resources and expert	process); and	
human resources;	f. Collaboration with	
e. Encouraging	designers to be able to	
marketing through	localize that can	
government	compete in the market.	
programs		

4.3 Industrial Territorial Development

Industrial regional development is carried out through the development of the Industrial Growth Center Area, *Wilayah Pusat Pertumbuhan Industri* (WPPI), the development of the Industrial Estate (KI), and the development of the Small and Medium Industry Center (Sentra IKM). a. Development of Industrial Growth Center Area (WPPI)

As stated in Government Regulation Number 14 of 2015 on the Master Plan for National Industrial Development (RIPIN) of 2015-2035 that the Industrial Growth Center Area (WPPI) designated for Central Java Province is Kendal-Semarang-Demak, Meanwhile, based on the Development Plan Central Java Province Industry (RPIP) it is stated that for regencies/cities that do not exist and are not part of the WPPI, they can arrange their industrial development program to support the WPPI. The programs in question are:

- 1) Acceleration of Development of WPPI-related facility preparation in each WPPI district/city;
- Industrial development as a supporter of WPPI for non-WPPI districts/cities,

the Regency of Batang is included in the regional area of the Regency of Batang - Pekalongan Regency - the Regency of Batang and the Regency of Pemalang (Pekalongan Raya) as areas that have the potential to cooperate and support each other and are developed in order to strengthen and develop WPPI.

#### b. Industrial Estate Development

Industrial Estate is an area where Industrial activities are concentrated which is equipped with supporting facilities and infrastructure developed and managed by an Industrial estate company.

Through Presidential Regulation (Perpres) Number 109 of 2020 on the Third Amendment to Presidential Regulation number 3 of 2016 on the Acceleration of Implementation of National Strategic Projects, the Batang Integrated Industrial Estate (KIT) is officially included in the list of National Strategic Projects (PSN) with an area of + 4,300 (four thousand three hundred) hectares covering 4 sub-districts, namely Gringsing Sub-District, Banyuputih Sub-District, Subah Sub-District and Tulis Sub-District.

Based on Presidential Regulation (Perpres) Number 142 of 2015 on Industrial Estates, Article 7 Aricles 1 and 2 state that Industrial Estates are built with a land area of at least 50 (fifty) hectares in one stretch. Medium can be built with a land area of at least 5 (five) hectares in one stretch.

c. IKM Center Development

To protect the condition of the existing industry and its development, it is regulated in the The Regency of Batang Spatial Plan for 2019–2039, namely the general provisions of the Zoning regulations for Settlement Areas, which are conditionally allowed for the development of economic businesses and creative industries taking into account environmental impacts in both urban and residential areas. rural settlement

#### Table 4.2 Industrial Regional Development Program

2021-2041

		Year		
NO	Industrial Territorial Development Program	2021-2025	2026-2030	2031-2041
1.	Survey and mapping of the potential for	$\checkmark$		

NO	The design of the second se	Year		
NO	Industrial Territorial Development Program	2021-2025	2026-2030	2031-2041
	industrial regional			
	development			
	Identification of potential			
2.	and drafting of industrial	$\checkmark$		
۷.	area development			
	concepts and plans			
	Preparation of industrial			
3.	estate development plans	2	2	
5.	and industrial	v	v	
	designation areas			
	The establishment of			
4.	Industrial institutions by		$\checkmark$	
	the government			
	Infrastructure			
	development to support			
5.	industrial areas and	$\checkmark$	$\checkmark$	
	industrial designation			
	areas			
	Guidance and			
	Development to support			
6.	industrial areas and	$\checkmark$	$\checkmark$	
	industrial designation			
	areas			
	Special incentives for			
7.	SMIs in industrial areas		2	2
	and industrial		, v	v
	designation areas			
8	Industrial Estate			
0	Development	Y		

#### 4.4 Industrial Resource Development

The development of industrial resources is a condition for the growth and development of industry in an area. Without these resources, the industry will certainly not grow and develop. Resources are not only natural resources (SDA), but also human resources (HR), capital resources, appropriate technology and other supports. Therefore, the development of Industrial resources is carried out through the development of Industrial human resources; utilization, supply and distribution of natural resources; development and utilization of Industrial technology; development and utilization of creativity and innovation; provision of financing sources.

a. Industrial Human Resources (HR) Development

Human resources are not only in terms of quantity or quantity, but also related to quality. Therefore, it is necessary to develop programs that can ensure the availability of the human resources of the said Industry through various trainings as well as the construction and establishment of vocational/diploma/college schools according to the needs of priority Industries.

			Year	
No.	Program			
		2021 - 2025	2026 - 2030	2031 - 2041
	Increasing the capacity of			
	industrial human resources			
	according to regional			
	priority industries			
1.	a. Production			
	intensification	$\checkmark$	$\checkmark$	$\checkmark$
	training/training			
	b. Workshops/short			2
	courses			v
	Facilitation of increasing	$\checkmark$		
	the capacity of Industrial			
2.	Human Resources through			
۷.	production development		v	
	and supervision for			
	Industrial players			
3.	Facilitate the internship			
	program according to the	$\checkmark$	$\checkmark$	
	required competencies.			

Table 4.3 Industrial HR Development Program 2021 – 2041

b. Utilization, Provision and Distribution of Natural Resources

In addition to human resources, natural resources are also a factor of production which is the key to the running of an Industry. As an area with urban characteristics, many of the natural resources needed for industrial processes in the Regency of Batang come from outside the region. Therefore, the value chain strengthening program of Industrial processes needs to be optimized. Intensification of resources in supplying the needs of leading industries is also needed.

No.	Program		Year	
	Tiogram	2021 - 2025	2026 - 2030	2031 - 2041
	Preparation of plans for the			
	provision and distribution		$\checkmark$	$\checkmark$
1.	of natural resources in the	. [		
1.	form of a study of the	v		
	availability of natural			
	resources			
	Increasing the	$\checkmark$	$\checkmark$	$\checkmark$
2.	competitiveness of			
2.	industrial companies and			
	industrial estate companies			
	Mapping and determining		$\checkmark$	$\checkmark$
3.	the area for the provision of			
5.	renewable natural			
	resources			
4.	Conservation of renewable		N	2
<b>– – .</b>	natural resources		Ŷ	v
5.	Application of energy			
	diversification policy for	$\checkmark$	$\checkmark$	$\checkmark$
	Industry.			

Table 4.4 Utilization, Provision and Distribution Program Natural Resources 2021 – 2041

#### c. Industrial Technology Development and Utilization

Industrial development certainly requires the development and utilization of industrial technology in order to meet product and production process standardization, as well as production efficiency and effectiveness. So there must be programs drawn up to ensure the development and utilization of the Industrial technology in question.

No.	Program	Year		
	Tiogram	2021 - 2025	2026 - 2030	2031 - 2041
1.	Facilitation of quality			
	standards	$\checkmark$	$\checkmark$	$\checkmark$
	(SNI/ISO/HACCP with			
	GMP and SOP or other			
	applicable standards)			
2.	Facilitation of industrial	$\checkmark$	$\checkmark$	$\checkmark$
	facilities and			
	infrastructure for			
	potential SMEs and home			
	industries.			
3.	Industrial Research and	$\checkmark$	$\checkmark$	$\checkmark$
	Development (R&D)			
	Cooperation and			
	processing technology.			

Table 4.5 Industrial Technology Development and Utilization Program Years 2021 – 2041

Financing is a problem that often becomes an obstacle to industrial development. So there must be programs drawn up to ensure that the financing of the industry is not a problem.

		Year		
No.	Program	2021 - 2025	2026 - 2030	2031 - 2041
1.	Investment facilitation and incentives	V	$\checkmark$	~
2.	Facilitation of financing cooperation (especially for IKM) with financial/banking institutions	$\checkmark$	$\checkmark$	$\checkmark$
3.	Guidance/training management	$\checkmark$	$\checkmark$	$\checkmark$

Table 4.6 Program for Provision of Financing Sources in 2021 – 2041

- 4.5 Construction of Industrial Facilities and Infrastructure Industrial facilities and infrastructure development is carried out through:
  - a) Management of the environment

Construction of industrial facilities and infrastructure related to environmental management to realize a regional waste network system in the Regency of Batang includes:

- a. Facilitation of waste management (sorting, collection, transportation, processing and final processing);
- b. Improvement and development of TPA performance;
- c. Facilitating the construction of TPS, TPS 3R, TPST (collection, sorting, reuse, processing, final processing);
- d. Development of a community-based 3R (reduce, reuse, recycle) waste management program;
- e. Provision of separate trash bins for B3 waste and B3 waste; easily biodegradable waste; trash can be used; recyclable waste and other waste;
- f. Volume reduction efforts through: composting, recycling, sorting organic and inorganic;
- g. Arrangements for the placement of TPS in residential areas, markets, and other community centers.
- b) Strategic Land and Area

Based on the RTRW 2019-2039 of the Regency of Batang Article 6 section (2) point 1, the strategic area development strategy of the Regency of Batang includes:

- 1. Directing and strengthening the development of urban areas in the north coast road corridor (Pantura);
- 2. Carrying out the arrangement of the port area and its surroundings;
- 3. Developing tourism areas;
- 4. Carrying out the arrangement of the Central Java Steam Power Plant (PLTU) area and its surroundings; and
- 5. Optimizing the preservation and development of designated protected areas as the carrying capacity of the environment.
- c) Energy and Electricity Network

Construction and development of Industrial facilities and infrastructure related to energy management to support the implementation of Industry in the the Regency of Batang area includes:

 Development of energy infrastructure that is able to meet the needs of industry and society in the Regency of Batang

- 2. Facilitate the development of grid systems and energy generation
- 3. Development of alternative energy sources
- 4. Energy management asset maintenance
- 5. Facilitate energy network system zoning regulations

Construction and development of Industrial facilities and infrastructure related to electricity management to support the implementation of Industry in the the Regency of Batang area includes:

- Development of electrical infrastructure capable of serving the needs of Industry and the community in the Regency of Batang;
- 2. Facilitation of network system development and energy generation;
- 3. Electricity infrastructure network facilities include power generation, electricity distribution, and supporting advice;
- 4. Facilitation of energy network system zoning regulations;
- 5. Maintenance of electricity assets.
- d) Water Resources Network

Programs related to the development and management of water resources network facilities to support Industry, include:

- 1. Facilitation of water source network system and water resources infrastructure;
- 2. Facilitation and maintenance of water source assets from watersheds, springs, reservoirs, and reservoirs;
- 3. Developing water resources infrastructure;
- 4. Facilitation and maintenance of irrigation networks;
- 5. Construction of piped clean water networks to meet the needs of settlements, industry, and other interests;
- 6. Conservation of water sources, conservation of water catchment areas, and conservation of water catchment areas.
- e) Transport Network

Programs related to the development and management of transportation facilities to support Industry, include:

- 1. Facilitate access to land, sea, and air transportation from and to the Industrial area
- 2. Facilitation of transportation access that facilitates the flow of goods and services traffic.
- 3. Increased development of transportation access such as lighting, repairs, and widening of roads

- 4. Increased development of transportation access such as lighting, repairs, and widening of roads
- 5. Maintenance of land, sea and air transportation infrastructure networks

## f) Industrial Information System

Programs related to the development and management of Industrial information system facilities to support Industrial activities, include:

- 1. Facilitating the provision of Industrial information data;
- 2. Maintenance and management of Industrial information data;
- 3. Facilitating public access related to Industrial information data;
- 4. Facilitate the updating of data and information related to Industry.
- g) Telecommunication Network

Programs related to the development and management of telecommunication facilities to support Industrial activities, including:

- Facilitation of fixed network and mobile network telecommunications network systems;
- 2. Development of telecommunication network system;
- 3. Maintenance of the telecommunications network system;
- 4. Facilitation of telecommunications networks that facilitate public access;
- 5. Facilitation of zoning regulations for telecommunications network systems.

## 4.6 Industrial Empowerment

a. SME Development

Regional industrial development must realize regional IKM development. So there must be empowerment programs that are arranged to ensure the development of the said IKM.

No.	Program	Year		
		2021 - 2025	2026 - 2030	2031 - 2041
1.	SMI data collection	$\checkmark$	$\checkmark$	$\checkmark$
	(updating and upgrading)			
2.	Facilitation of financing		$\checkmark$	$\checkmark$
	cooperation (especially for			

Table 4.7 IKM Industrial Development Program 2021 – 2041

No.	Program	2021 - 2025	Year	
110.	Tiogram		2026 - 2030	2031 - 2041
	SMEs) with financial			
	institutions/banks			
	Ongoing			
3.	training/counseling and	$\checkmark$	$\checkmark$	$\checkmark$
	mentoring			
	Facilitation of appropriate			
4.	tools (see Industrial	$\checkmark$	$\checkmark$	$\checkmark$
7.	technology development			
	and utilization program)			
	Guidance/training			
5.	management and	$\checkmark$	$\checkmark$	$\checkmark$
	supervision			
	Development of linkage	$\checkmark$	$\checkmark$	$\checkmark$
6.	with IBS (production			
0.	cooperation; IKM become			
	IBS supplier)			
7.	Facilitation of New	2	$\checkmark$	$\checkmark$
	Entrepreneurial Program,			
	Wirausaha Usaha Baru	v		
	(WUB)			

## b. Development of Green Industry

Development of Green Industry aims to realize a sustainable Industry in the context of efficient and effective use of natural resources in a sustainable manner so as to be able to harmonize industrial development with the continuity and sustainability of environmental functions and provide benefits to the community. The programs carried out in order to realize the green industry are as follows.

Table 4.8 Development of Green Industry Program 2021-2041

NO	Program	Year		
		2021-2025	2026-2030	2031-2041
	Survey and mapping the			
1.	potential for development of	~		
	green industry			
2.	Develop green open space		$\checkmark$	~

NO	Program	Year		
	Tiogram	2021-2025	2026-2030	2031-2041
	Dissemination and			
3.	implementation of Reduce	$\checkmark$	$\checkmark$	$\checkmark$
	Reuse Recycle Recovery			
4.	Green Industry Training	✓	$\checkmark$	$\checkmark$
	Development of			
5.	infrastructure and			
5.	infrastructure to support		v	v
	green industry			
	Special incentives/awards			
6.	for implementing Green	$\checkmark$	$\checkmark$	$\checkmark$
	Industry			
7.	Development of green open			
	space that is used as a			
	buffer zone for Industry with		v	, v
	other areas			

## CHAPTER V CONCLUSION

The the Regency of Batang Industrial Development Plan 2021 - 2041 is a the Regency of Batang program to maximize the regional industrial potential. The Industrial development plan is in accordance with Law Number 3 of 2004 on Industry Affairs, which has placed Industry as one of the economic pillars and has given the government a large enough role to encourage the progress of the national Industry in a planned manner.

The Industrial development plan is expected to be able to support the vision, mission, goals and objectives of regional development to be achieved and to ensure sustainable development and the achievement of the vision of National Industrial Development in the long term (2035) namely the realization of Indonesia as a strong industrial country.

the Regency of Batang has great potential in the creative economybased industry and local wisdom. The existing industrial potential must be utilized as much as possible for the prosperity of the community. On the other hand, the Regency of Batang is also an area that has a strategic area in the Pentaglong Region. Then the the Regency of Batang location is also passed by the North Coast National Road so that the mobility of goods and services is smoother, coupled with the start of the operation of the toll road.

The realization of a more advanced and more prosperous regional community needs to be supported by:

- a. Good commitment and leadership;
- b. Local government policy consistency;
- c. Policies that favor the community; and
- d. active, creative and positive participation of the community, the business world and policy makers. In addition, the role of the three pillars of Good Governance principles, namely transparency, accountability, and participation in the implementation of various strategies, policies, programs and activities in the context of achieving the development vision must receive serious attention from all policy makers.

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The Regency of Batang Industrial Development Plan for 2021 - 2041 that has been prepared provides a reference for development programs for the next 20 (twenty) years so that they can be developed and are oriented towards efforts to facilitate real economic facilities, create social opportunities and create fairness for all. Public.

REGENT OF BATANG,

signed

WIHAJI

# ELUCIDATION OF REGULATION OF REGENCY OF BATANG NUMBER 3 OF 2021 ON

# INDUSTRIAL DEVELOPMENT PLAN FOR THE REGENCY OF BATANG FOR 2021-2041

#### I. GENERAL

The implementation of Regional Autonomy or Decentralization as regulated in Law Number 23 of 2014 on Local Government is directed at accelerating the realization of public welfare through improving services, empowerment and public participation, as well as increasing regional competitiveness. In relation to the Industrial sector, the division of government affairs provides many opportunities that can be utilized by the provinces, regency and municipalities to accelerate the growth and development of Industry in the regions and minimize the uneven distribution of Industry in the territory of Indonesia.

Law Number 3 of 2014 on Industrial Affairs has placed Industry as one of the pillars of the economy and has given the government a large enough role to encourage the progress of national Industry in a planned manner. This role is needed in directing the national economy to grow faster and catch up with other countries that are more advanced.

The development of the Industrial sector in the Regency of Batang is designed to refer to the long-term vision of National Industrial Development, namely "Indonesia becomes a Resilient Industrial Country". In addition, there is a vision for the Industrial Development of the Province of Central Java, namely "The Realization of a Competitive and Sustainable Central Java Industry". Furthermore, the development vision of the Regency of Batang for 2005-2025 is echoed as "Batang of Batik City that is Advanced, Independent, and Prosperous". Based on this development vision, the industrial development vision of the Regency of Batang in 2021-2041 is "The Realization of an Advanced Regency of Batang Industry Based on Creative Economy and Local Wisdom".

The preparation of the RPIK takes into account the National Industrial Development Master Plan (Rencana Induk Pembangunan Industri Nasional, RIPIN) 2015-2035 and the National Industrial Policy (Kebijakan Industri Nasional, KIN). The Regency of Batang RPIK for 2021-2041 is prepared by taking into account:

- a. the potential of regional industrial resources;
- b. the Province of Central Java Spatial Plan and Regency of Batang Spatial Plan;
- c. harmony and balance with socio-economic activities and the supporting capacity of Industry;
- d. harmony and balance with industrial development policies in the regency as well as socio-economic activities and environmental carrying capacity; and
- e. projection of employment, and land use for Industry.

The preparation of the Regency of Batang RPIK for 2021-2041 is intended to carry out the mandate of Article 11 section (1) of Law Number 3 of 2014 on Industrial Affairs as well as to emphasize the seriousness of the Regency of Batang Government in realizing the objectives of implementing Regional Leading Industry Development, namely to:

- a. increase the growth and contribution of the leading sector-based manufacturing industry to the Gross Regional Domestic Product (GRDP) of the Regency of Batang;
- b. increase the use of science and technology to encourage the quality of regional superior products that have comparative and competitive advantages in order to encourage the growth of an increasingly quality industrial sector;
- c. increase the market share of Industry both at home and abroad through the development of promotions and exhibitions of regional products, as well as strategic cooperation and partnerships that support increasing market access for superior products;
- d. develop upstream Industry through the development of the agricultural sector in a broad sense and directed to produce products that are based on the agribusiness system, in order to ensure the

availability of food;

- e. increase the quantity of Industrial product designs that follow the development of market tastes;
- f. increase the role and contribution of export-oriented SMEs, through the development of market access in order to encourage the competitiveness of (Small Medium Entrepreneur) SMEs;
- g. improve the competence of the workforce, both skilled and educated workers who are adaptive to the development of technology and information; as well as;
- h. create a competitive business climate and prevent the centralization or control of Industry by one group or individual that is detrimental to the public.

The preparation of the Regency of Batang RPIK for 2021-2041 refers to the Regulation of the Minister of Industry Number 110/MIND/PER/12/2015 on Guidelines for the Preparation of Provincial Industrial Development Plans and Regency/Municipality Industrial Development Plans and Regulation of the Minister of Home Affairs Number 113 of 2018 on Evaluation of Draft Regional Regulation on Provincial Industrial Development Plan.

#### II. ARTICLE BY ARTICLE

#### Article 1

Sufficiently clear.

#### Article 2

Sufficiently clear.

#### Article 3

Sufficiently clear.

#### Article 4

Sufficiently clear.

#### Article 5

Sufficiently clear.

#### Article 6

Sufficiently clear.

#### Article 7

Sufficiently clear.

#### Article 8

Sufficiently clear.

#### Article 9

Sufficiently clear.

#### Article 10

Section (4)

The term "cooperation" in this provision means that concurrent government affairs which are under the authority of the Central Government are transferred to concurrent government affairs which are the authority of the province or regency areas and otherwise, or concurrent government affairs which are the authority of the provincial regions are transferred to concurrent government affairs which are the authority of regency governementor otherwise.

#### Article 11

Sufficiently Clear.

#### Article 12

Sufficiently Clear.

### Article 13

Sufficiently Clear.

#### Article 14

Sufficiently Clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF REGENCY OF BATANG NUMBER 3