



Journal of Human And Education

Volume 4, No. 1, Tahun 2024, pp 276-282

E-ISSN 2776-5857, P-ISSN 2776-7876

Website: <https://jahe.or.id/index.php/jahe/index>

The Role Of Village-Owned Enterprises In Increasing Green Economic Development In Villages

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Abstract

The author sees the potential for the development of a Green Economy in rural areas by utilizing Village-Owned Enterprises in accordance with the main objective/philosophical basis for establishing Village-Owned Enterprises so that in the future BUMDES will not only improve the welfare of rural communities with the results of BUMDes, but also pay attention to environmental elements, sustainable development, and so on. can create a Green Economy. For this reason, the author decided to carry out education and service to nearby villages. The result in this article show 1). Village-Owned Enterprises have a philosophical basis in their establishment to improve the welfare of village communities in various forms, one of which is improving the green economy in villages. 2). The Green Economy has different goals from other economies where the green economy does not only aim to improve welfare but also environmental aspects and sustainable development. 3). Village-Owned Enterprises which have a role in improving the green economy in villages must have stable income and continue to increase each period. Village-Owned Enterprises in the villages of Batbuah, West Sumatra and Binangun, Central Java already have this. 4). The author provides education to the village regarding the importance of implementing a green economy in the village with renewable energy materials, the use of PAO, sustainable agriculture and food, and increasing awareness of the importance of protecting the environment.

Keywords: *Village-Owned Enterprises, Green Economy, Enterprises*

INTRDOUCTION

Village-Owned Enterprises (BUMDes) are an instrument for local economic empowerment with various types of businesses according to the potential of the village. This potential development aims to improve the economic welfare of village residents through the development of economic businesses. Apart from that, the existence of BUMDes also has an impact on increasing the source of original village income (PAD) which allows villages to be able to carry out development and also to increase welfare more optimally. BUMDes is actually a social institution that supports the interests of the community through its contribution as a provider of social services. However, BUMDes is also a commercial institution where BUMDes aims to make a profit through the sale of goods or services intended for the community (Kurnia Dewi, 2023).

(Ramadana, 2013) states that BUMDes is one of the institutions that operates in the social and economic fields and provides services to village communities, especially regarding the business sector, while according to Anggraeni (2016) explains that the existence of BUMDes is able to bring about changes in the social and economic fields of society, however The existence of BUMDes does

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not bring significant benefits to directly improving the welfare of residents. This shows that BUMDes play an important role in the social and economic fields of society, but the role of BUMDes needs to be increased as an effort to support improving community welfare.

BUMDes as a legal entity, is formed based on applicable laws and regulations, and in accordance with the regulations applicable in the village. In Law Number 32 of 2004 concerning Regional Government in Article 213 paragraphs 1-3, it is stated that villages can establish Village-Owned Enterprises (BUMDes) in accordance with the needs and potential of the village. In accordance with these regulations, the formation of BUMDes is based on the needs and potential of the village, with the aim of improving community welfare. In this case, the planning and formation of BUMDes was built on the initiative of the village community, and was based on cooperative, participatory and emancipatory principles. The most important thing is that BUMDes management must be carried out professionally, cooperatively and independently. Thus, the development of BUMDes can vary in every village in Indonesia. In this regard, to build BUMDes, accurate and precise information is needed about local characteristics, including the socio-cultural characteristics of the community (Sri & Dewi, 2014).

The establishment of BUMDes in principle aims to improve the village economy, optimize village assets so that they are useful for village welfare, increase community efforts in managing village economic potential, develop cooperation plans between villages and/or with third parties, create opportunities and market networks that support service needs general citizens, open employment opportunities, improve community welfare through improving public services, growth and equalization of the village economy, as well as increasing village community income and village original income (Soejono et al., 2021).

Expanding a little from the aim of establishing Village-Owned Enterprises, the servant believes that establishing BUMDes can also improve the Green Economy in the village. Green Economy is an economic idea that aims to improve the welfare and social equality of society, while significantly reducing the risk of environmental damage. This green economy can also be interpreted as an economy that produces low or no carbon dioxide emissions to the environment, saves natural resources and is socially just. The difference between the green economy and other economic ideas is the direct assessment of natural capital and ecological services as economic value and cost accounting where costs realized to society can be traced back and calculated as liabilities, an entity that does not harm or ignore assets. From the definition that has been described, the green economy is in line with the concept of Islamic economics, where Islamic law instructs economic management without causing damage to the earth (Arin Setiyowati et al., 2023).

The term green economy was introduced by the body that oversees environmental affairs under the UN organization, namely the United Nations Environment Program (UNEP) in 1992. The concept of green economy was presented as an answer to the dominant world economic system which only focuses on human welfare, superior economics and various efforts to build civilization through economic activities but are not accompanied by efforts to pay attention to environmental safety (Arin Setiyowati et al., 2023).

Green economy is generally related to sustainable development. Currently, sustainable development is a global achievement target that every country collectively wants to achieve through the SDGs (Sustainable Development Goals) program. Thus, discussions regarding the concept and existence of a green economy need to continue in an effort to achieve sustainable development. According to (Sa'idah et al., 2023), sustainable development means that current development does not reduce the ability of future generations to build and meet their living needs. In short, development does not damage natural sustainability. Nowadays, nature conservation in all parts of the world is very worrying. All forms of pollution and damage can occur and are caused by various reasons, most of which originate from human activities. Therefore, with the existence of a green economy, it is hoped that this problem can be overcome. Sustainable development has three pillars: economic, environmental and social. Economic sustainability is growth without destroying the economy's capital base. Environmental sustainability includes a stable climate and biodiversity so that environmental sustainability becomes an important factor in economic life in a country (Khanfar, 2014).

The study of the green economy and its impact on sustainable development is an important and vital topic for most researchers, especially in recent years. A green economy is a mechanism that primarily results in improving and developing human welfare and reducing environmental risks (Kahle, 2015). In terms of environmental benefits, the green economy aims to improve the climate by reducing pollution and also has an important role in providing employment and investment opportunities, providing material and human resources and the ability to eradicate poverty and destitution as well as differences between social classes in exchange for preserving resources. power

by serving future generations to ensure their future.

Green economy is a long-term strategy for the national economy to overcome the crisis and achieve economic recovery, because the green economy seeks to provide suitable employment opportunities for all. The green economy requires efficient and skilled workers and professionals, who have wise minds, and work to refine and develop their skills through enrollment in professional training and courses to give them the required experience. One of the most important goals of a green economy is the need to reform policies and regulations that will hinder or achieve a green economy (Al-Taai, 2021). Achieving a green economy requires fundamental changes in the structure and strategy of most companies, to achieve sustainable physical and human development.

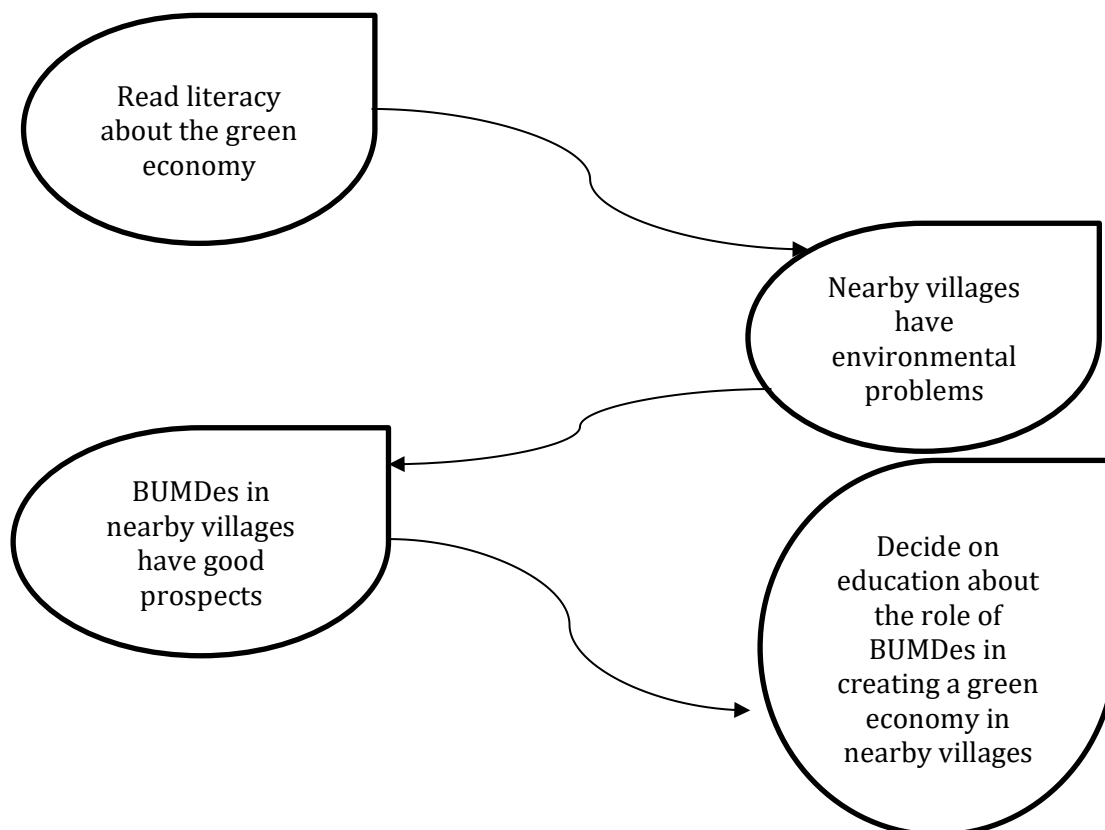
Global Economy or green economy has the ultimate goal of increasing social welfare without any risk of environmental damage (Anwar, 2022). This is in line with the phenomenon that occurred in Tanjungkalang Village which indirectly resulted in the exploitation of natural resources in waste management. The implementation is through a waste management program. This has been explained in the Regulation of the Ministry of Information and Technology for the Indonesian National Environment and the Republic of Indonesia Number 13 of 2012 Article 1 "Redulcel, Relulsel and Recyclel activities or limit waste, waste recycling and waste recycling, which is further referred to as 3R activities are all activities that are capable of reducing all the existing cells. generating waste, reusing waste activities that are suitable for use for the same function or other functions, and activities for processing waste into new products." Products produced from waste management include organic liquid pulp, flower vases, storage shelves (Rohmah & Rahman, 2023).

Based on this, this article aims to discuss the role of BUMDes in increasing green economic development in nearby villages for two weeks, including Batabuah Village, West Sumatra and Binangun Village, Central Java. The writer/servant does light things that can improve the green economy in the village.

METHOD

The author sees the potential for the development of a Green Economy in rural areas by utilizing Village-Owned Enterprises in accordance with the main objective/philosophical basis for establishing Village-Owned Enterprises so that in the future BUMDES will not only improve the welfare of rural communities with the results of BUMDes, but also pay attention to environmental elements, sustainable development, and so on. can create a Green Economy. For this reason, the author decided to carry out education and service to nearby villages with the following stages of finding problems and solutions:

Figure 1
Stages of Problem Discovery and Solutions



RESULT AND DISCUSSION

BUMDES and Green Economy

Village-Owned Enterprises (BUMDes) are an instrument for local economic empowerment with various types of businesses according to the potential of the village. This potential development aims to improve the economic welfare of village residents through the development of economic businesses. Apart from that, the existence of BUMDes also has an impact on increasing the source of original village income (PAD) which allows villages to be able to carry out development and also to increase welfare more optimally. BUMDes is actually a social institution that supports the interests of the community through its contribution as a provider of social services. However, BUMDes is also a commercial institution where BUMDes aims to make a profit through the sale of goods or services intended for the community (Kurnia Dewi, 2023).

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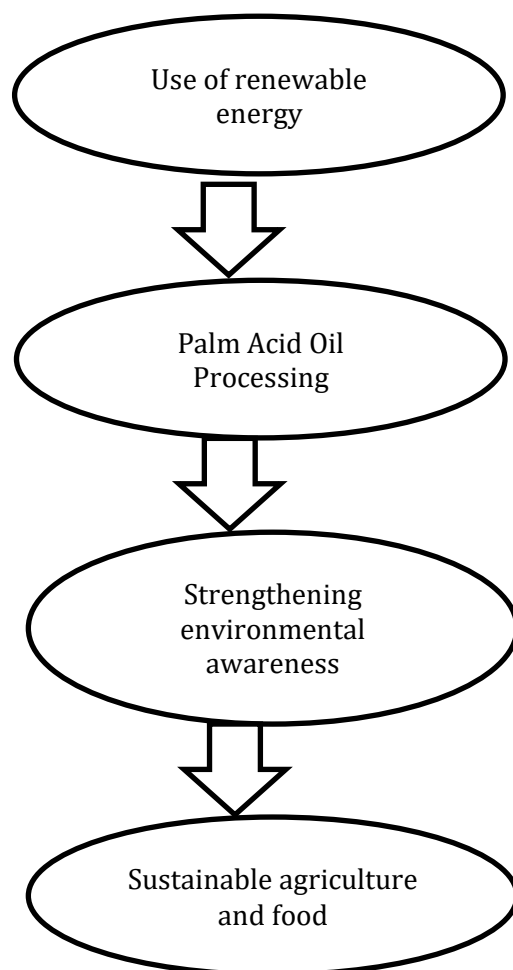
Green economy is a long-term strategy for the national economy to overcome the crisis and achieve economic recovery, because the green economy seeks to provide suitable employment opportunities for all. The green economy requires efficient and skilled workers and professionals, who have wise minds, and work to refine and develop their skills through enrollment in professional training and courses to give them the required experience. One of the most important goals of a green economy is the need to reform policies and regulations that will hinder or achieve a green economy (Al-Taai, 2021). Achieving a green economy requires fundamental changes in the structure and strategy of most companies, to achieve sustainable physical and human development.

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Batabuah and Binangung Village-Owned Enterprises, which are BUMDes, are located in the villages closest to where the author lives, showing good prospects from month to month in 2023 and 2024. The two Village-Owned Enterprises have an average income of 60-200 million each. every year in utilizing home-based businesses producing CPO, HACPO, PAO, etc. palm derivatives because the areas in these villages are surrounded by hundreds of hectares of palm oil plantations which generally belong to rural communities. The next stage that can be taken is that the Village-owned Business Entity provides financing to improve several things as follows:

Figure 2
Educational Material on the Role of Economics in Creating a Green Economy in Villages



Based on the explanation above, these educational materials can improve the Green Economy in rural areas, although not significantly, especially in the villages of Batabuah, West Sumatra and Binangun Answers, Central. Hopefully this service program can also be an example for other villages, other academics, and ultimately an opportunity to improve the green economy in general.

CONCLUSION

Based on the comprehensive explanation above, several conclusions can be drawn regarding the role of Village-Owned Enterprises in improving the Green Economy as follows:

1. Village-Owned Enterprises have a philosophical basis in their establishment to improve the welfare of village communities in various forms, one of which is improving the green economy in villages.
2. The Green Economy has different goals from other economies where the green economy does not only aim to improve welfare but also environmental aspects and sustainable development.
3. Village-Owned Enterprises which have a role in improving the green economy in villages must have stable income and continue to increase each period. Village-Owned Enterprises in the villages of Batabuah, West Sumatra and Binangun, Central Java already have this.
4. The author provides education to the village regarding the importance of implementing a green economy in the village with renewable energy materials, the use of PAO, sustainable agriculture and food, and increasing awareness of the importance of protecting the environment.

EXPRESSION OF THANKING

The author would like to express his deepest gratitude to the management of the Batabuah Village-Owned Enterprise, West Sumatra and Binangun, West Sumatra, who have welcomed and even helped the

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author's service for 2 weeks - 1 month in the village. The author hopes that the management of Village-Owned Enterprises in the two villages can understand what was conveyed and implement the stages of creating a green economy in the two villages.

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