
RURAL HOUSEHOLD INDUSTRY DEVELOPMENT WITH ONE VILLAGE, ONE PLAN, ONE BUDGET, ONE PRODUCT APPROACH (Case Study in Ile Padang District Lewolema of East Flores; Oeletsala Village and Kuaklalo Taebenu District, Kupang Regency East Nusa Tenggara)

Oleh:

Hironnymus Jati¹

E-mail: hirodona@gmail.com

- 1) Management Departement of Economic and Business Faculty- Nusa Cendana University and Ph.D Candidate of Science Administration Nusa Cendana University

Abstract

Building a rural industry with the One Village One Product (OVOP) approach is an approach to regional development programs aimed at improving economic and community welfare by altering organized mindsets, plans and actions to cultivate abundant natural resources into more value-added products high. Japan-led OVOP program began to be implemented in Indonesia in 2008 through the Ministry of Industry and 2010 through the Ministry of Cooperatives and SMEs aimed at increasing the potential and participation of small and medium industries in Indonesia in development, including East Flores with the potential of cashew nut plantations and Kupang regency with the potential of cattle. Since the existence of the Village Fund in 2015, the government also through the Ministerial Regulation of the DPDTT requires a village of one product to improve the capacity of the regional economy on the assumption that if the village has succeeded, it will be upgraded to one district, and continuously upgraded to a larger scale. To that end, each village receiving the Village Fund is required to implement a plan and a budget that focuses on OVOP. This study aims to evaluate the implementation of government policies on OVOP in Ile Padang, Oeletsala and Kuaklalo since the Village Fund and provide recommendations to stakeholders, local government and village government. In addition, the importance of government consistency, village government compliance with higher institutions, and participation of village communities in implementing and supervising village development programs with one plan approach, one budget, one village one product. Finally, the one-plan program, one budget and OVOP is expected to improve the welfare of the community through increased revenues.

Keywords: One Plan, One Budget, One Village One Product, Village Fund, rural, industry, policy.

INTRODUCTION

The development of rural household industry with One Village One Product (OVOP) approach is one of the approaches taken by the government by inviting private and public participation to increase the added value of agricultural commodities, other products and services in rural areas, and increase the competitiveness more widely, and also withhold or reduce the rate of urbanization that resulted in villages being abandoned by their citizens to seek better income in the city while villages that have available potential have not been optimally utilized for better

life. All villages in East Nusa Tenggara are generally and especially in East Flores district with potential for cashew, coconut, cocoa, and home industry industries such as coconut oil, “tenant ikat”, wood and bamboo handicrafts; while in Kupang district has the potential of large livestock (cattle) that should be developed into competitive commodities and superior products of the region.

The OVOP or SDSP approach was developed by Hamamatsu when it became Governor of Oita in 1979 which was practiced for six years (1979-2003) in order to reduce the poverty of its citizens with the main idea of developing local potential by involving all parties, especially the community in the region itself so that people are moved to building up the region to prosper and the welfare of society also get better. This OVOP / SDSP approach has been adopted and practiced in a number of countries and has been successful so that it is globally accepted as an alternative to alleviate poverty and enhance the competitiveness of products typical of villages, regions, regions and even countries.

The success of the OVOP / SDSP program in Japan attracts and encourages other countries, such as Thailand (One Tampon One Product, Taiwan (One Town One Product), Malaysia (One District One Industry), Philippines (One Baraga One Product), and Cambodia (OVOP), Vietnam, Cambodia, Laos and other Asian countries to develop them successfully, and the success of OVOP / SDSP in Japan as well as in other countries pushed the Indonesian government to implement it in 2008 through the ministry of industry and in 2010 through the ministry of cooperatives, Small and Medium Enterprises aimed at improving the participation of small and medium enterprises in rural industry development. The basic principles of developing the OVOP / SDSP approach according to its pen gas Morihi to Hamamatsu which is then practiced in Indonesia are: (1) self-reliance and creativity (2) human resources development, and (3) thinking locally but acting globally, (Claymore, 2007); (Cahyani, nd) n OVOP / SDSP approach aims to improve, develop, market products that can be a source of local people's livelihoods, and increase the value added especially that can be marketed locally, regionally or overseas.

The results of the BPS survey on cooperation with the Ministry of Village, Development of Disadvantaged Areas and Transmigration on the Potential of Villages (2014) reported that villages throughout Indonesia have various types of small and micro industries that have the potential to be developed into superior products, villages it became the top production centres of the various commodities (www.validnews.com, September 20, 2017). The existence of the type and scale of small micro industry in the village based on the survey results are 138,695 units dominated by food and beverage industry as much as 26 percent and wood industry by 25 percent, leather industry as much as 2 percent, industry of precious metals and materials of metal by 5 percent, wicker industry by 14 percent, vessel industry, ceramic / stone as much as 11 percent, industry of fabric / weaving as much as 10 percent, and other industries as much as 8 percent. All of the above mentioned industries are not yet included in the household industry so if they are recorded entirely then the number is more than presented.

According to Ngoro (2017: 1-2) the existence of various types of small and micro industries, is basically one form of real resources owned by each village so as to produce various forms of products by utilizing as much of the raw materials from the village as well as involving as much

as possible the labour of the village as well. Thus the products produced and marketed can be enjoyed by all villagers.

The emergence of one village, one product or popular approach to one village, one product or recently popular with the village superior product (Prudes) is based on the presence of resources in the village and small and micro-scale industries at village level that need to be utilized and optimized as means and efforts to achieve the welfare of the village community through increased income which is derived from the increase of value added goods and services. The OVOP approach began in 2008 through the Ministry of Industry to develop the potential of micro industries (including household scale), small and medium enterprises in various sectors, such as handicrafts developed in a number of areas that have potential for handicraft (pottery / ceramic ornamental) in Surakarta, Banjul , Tanana, West Lombok, woven - in Bangle, Central Lombok, Ikat weaving - Lombok, East Nusa Tenggara) and other areas that have other potential such as agriculture and livestock, as well as other typical products that potentially serve the domestic market and international markets

Based on data of potential rural resources, BPS survey results and good practices and successful implementation of OVOP in other countries and some villages in Indonesia before the National Fund Village program implemented, the government through the Ministry of Rural Development, Disadvantaged Areas and Transmigration (PDTT RI) publishes the priority policy of the use of Village Funds in 2015 (Parmenides -PDTT, No.5 of 2015) article 5 affirms that the priority of the use of the Village Fund is allocated to achieve the development objectives of the Village, namely improving the welfare of the village community and the quality of human life and poverty alleviation through: (a) the fulfilment of basic needs; (b) construction of village infrastructure facilities, (c) development of village potentials; and (d) sustainable use of natural resources and environment. Furthermore, Article 9 is affirmed that the priority of the use of the Village Fund is based on the condition and potential of the Village, in line with the achievement of Village Medium Term Development Plan (RPJM Desa) and Village Government Work Plan (RKP Desa) targets each year, which include: establishment and development of Village-owned enterprise (BUM Desa); development and management of village markets and village kiosks; development and management of food barns; collective cattle raising; mining grazing; village tourism development; and development of appropriate technology for the processing of agricultural and fishery products. Then, Village Ministerial regulation, PDTT No.8 in 2016 emphasized that the priority of the use of the Village Fund is based on the following principles: a. justice, by giving priority to the rights or interests of all villagers without distinction; b. priority needs, prioritizing more urgent village interests, more needed and directly related to the interests of most Villagers; and c. village typology, taking into account the circumstances and facts of typical geographical, sociological, anthropological, economic, and ecological characteristics of the village, as well as changes or progress of village progress. Furthermore, Village Ministerial regulation PDTT No.22 of 2016 concerning the Priority of Village Fund Usage 2017 which explicitly includes One Village One Superior Product is an effort to establish, strengthen and expand economic efforts that are focused on superior products in the Village area or in inter- Villages managed through inter-village cooperation. Four priority programs for the acceleration of village development (Ministry of Home Affairs, PDTT, 2017) Superior Product

of Rural Area (Prukades), build embanks, develop village-owned enterprise, and build Village Sports Facilities.

The results of the Meirina study, et al (2012) as quoted by Cahyani (n,d) that "the determinants of the OVOP's implementation are: implementation objectives, OVOP initiators, funding sources, design and designers, form of mentoring and marketing channels. Meanwhile, based on Claymone research results (2007: 1-9) found that:

The failure of the One Village One Product project from Indonesia and Thailand is due to the following three elements: 1) not properly understanding the philosophy and approach of the OVOP project 2) issues of policy from above, and 3) the quality of human resources. If Indonesia selectively uses the OVOP (SDSP) approach that has developed a community base on the OVOP project, and should learn from the mistakes of Thai and Indonesian OVOP projects and seriously use the philosophy of OVOP in Japan as a model of community development in Indonesia.

Efforts to move the rural economy, especially the home industry in East Flores, have been done before the OVOP approach was introduced and applied in Indonesia but the results are still limited to fish, cashew and cashew, ikat and souvenirs because they do not focus on unique local potentials, market information limited and limited quality of human resources with high initiative and creations to create the distinctive product excellence of East Flores region that can be known globally. Similarly, in the Oletsala and Kuaklalo Villages which are the potential and livelihoods of the community debag farmers have not focused on commercial cattle breeding efforts so that with the National Fund Village program is expected to encourage and raise the spirit of business from farmers to develop, produce and market One Product Featured Village or One Village, One Product.

SDSP aims to develop one seed in one village, and excellent products are skill economics. The products developed have distinctive characteristics that distinguish them from other villages. If there is village-level prosperity, the rate of urbanization can be suppressed. Village superior products (Prudes) and Superior product rural area (Precedes) become government agenda with focus on these excellent products, income and income of village communities is believed to increase

Although the priority policy on the use of the Village Fund has been established since the first year of Village Fund funding until 2017 but the level of compliance and alignment of village development planning with national planning and priorities has not been synchronized due to the policy to develop one village or one village superior product, one is still "Top Down policy" means the government deciding superior product for a particular region according to the study of potentials and proposals of each region so that it is not in sync with the medium and long term plan has been prepared beforehand. Consequently the implementation of this approach may fail. The SDSP approach and movement has not been the full initiative of rural micro-small-scale micro-enterprises because of limited information and socialization by top-level governments. With the policy of One Village, One Product requires that the planning and budgeting of the Village Fund is directed at the realization of these lofty ideals so that at the end of a certain period of time the results of development and use of the Village Fund can be measured clearly and the community can increase the results directly, ultimately each Village has a distinctive superior product that can distinguish one village from another. The purpose of this study is to

describe and evaluate the implementation of the priority policy of the use of Village Funds by One Village approach, One Superior Product (SDSPU) through One Plan, One Budget in Ile Padang Village East Flores and Oeletsala and Kuaklalo Village Taleban Sub-district, Kupang District.

Research Method

This study is a case study in Ile Padang Village in Lewolema Sub-district, East Flores Regency, which is a Village with the potential of cashew nut plantation that has export quality (America and India), while Oeletsala and Kuaklalo Village are cattle breeding villages in Taleban sub-district, Kupang regency dependable as a meat supplier for Kupang and Jakarta. This study has been conducted since 2015, 2016 and 2017 in all three villages. Primary data collection is done through interviews and direct observation of the teraktivitas implementation of development and community empowerment, while the secondary data obtained through searching documents RPJM Desa, RKPDesa and Village Revenue and Expenditure Budget (APBDesa) 2015, 2016 and 2017.

The main sources of information are the Village Head, Village Secretary, Head of Government Affairs, Head of Dusun and community leaders in each Village. The data and information obtained were analyzed descriptively. This review is limited to the determination and implementation of the Village work plan, the Village Fund Budget for the development of one village superior product in each village; and whether or not there is a match between the priority policy of the use of the Village Fund set by the Government with the priority of allocation and the use of the Village Fund in the three sample villages.

RESULTS AND DISCUSSION

The development of rural and small industry industries with One Village approach, One Superior Product is a strategic step because small micro industries have a big role in triggering and encouraging rural economy activity and rural development. Tambunan (2001) asserts that small industries have a strategic position in rural development because: first, small industries connect between agricultural and non-agricultural activities; secondly, small industries can create multiplier effects on the emergence of other non-agricultural activities such as services and trade so as to encourage rural economic growth. This means that the development of small micro industries (including home industries) is able to create a number of agricultural and non-agricultural employment opportunities and encourage and attract other economic activities that provide services that enable the creation of value added products and services of rural products.

Malik (2015) states that there are four industrial groups in rural areas that dominate most of the absorption of non-agricultural, rural and urban workforce namely a) building materials industry, b) agricultural processing industry that produces raw materials for other industries, c) food that cultivate agricultural products as ingredients consumption of various types of crackers and crispy peanuts, and d) making inputs and agricultural equipment. Therefore, in relation to the desire to accelerate rural development through the current decentralization of development, one of the economic potential of villages and areas that can be used as a spearhead is the empowerment of small industries and home industries. In the structure of the Indonesian economy, Small Industry

(including Micro and Household) is a people's economic activity whose existence dominates more than 97% in the structure of the national economy.

In terms of the potential for labour absorption, the existence of small micro and home industries cannot be doubted, but on the other hand the sector faces various weaknesses internally, such as capital, financial management, business management, marketing, operational (production), and resource human; and external factors such as high level of competition, supply and availability of raw materials, business location, and uneven development and training of technical agencies in the region (Jati, Fernandez and Astute, 2017a; 2017b). The National Fund Village Program is expected to help overcome the shortcomings and obstacles experienced by small and micro entrepreneurs in rural areas.

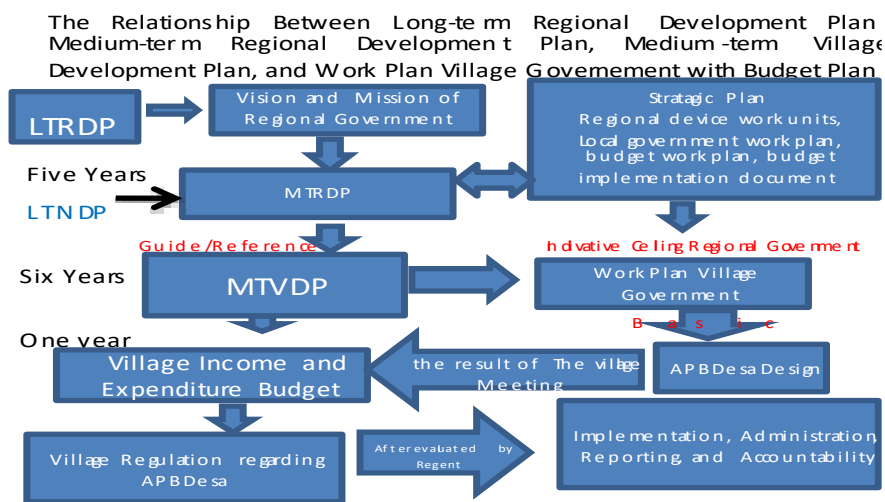
Therefore, since 2008 and also since the budgeted Village Fund in APBN 2015 in accordance with the Law No. 6 of 2014 on Village government using the approach One Village, One Product (SDSP) seed to accelerate the development of rural and poverty alleviation in the disadvantaged areas and remote. Thus, each Village of 74,954 Villages receiving Village Funds must plan within the Village RKP and budget funds in APB Each village will produce at least One Village, One Primary Product (Prudes) or One Rural Area, One Superior Product (Prukades) according to the potential and uniqueness of each village.

Here are the authors present the results of research and discussion about the practice of One Village, One Plan, One Budget, One Product that occurred in Oeletsala Village and Kuaklalo sub District of Taebenu -Kupang District and Village of Ile Padung District Lewolema Regency East Flores.

One Village, One Plan, One Budget, One Product - Village (Oeletasala and Kuaklalo-Kupang District)Oeletsala and Kuaklalo villages are located in Taleban sub-district of Kupang district, which is approximately 25- 20 kilometres from Kupang City and approximately 70 kilometres from Kupang Regency capital Oelamasi. The population of the village of Kuaklalo as many as 875 people while the village of Oeletsala has a population of 1,532 inhabitants. The main livelihoods of the population in both sample villages are the dominant of dry land farmers. The dominant livestock business is Cattle, and is supported by other agricultural commodities such as food crops and trade crops, such as bananas, maize, jackfruit, mango, while the household crafts are also dilakoni by the villagers is ikat. The agricultural produce, handicrafts and handicrafts produced are marketed in Kota Kupang and special cows are marketed through inter-island traders in Kupang which are further down into the Jakarta market.

During community service activities on Village Governance according to Permendagri No.113 of 2014 and Permendagri No.114 of 2014 in the villages of Kuaklalo and Oeletsala it is known that before the distribution of Village Funds from the government through the Regional General Cash Account of Kupang regency 2015 period, each village in the Kupang district (including the sample village) is required to "revise" or revise the Village Medium Term-development Plan (RPJM Village) Document in accordance with the new provisions. With regard to the priority of the use of the 2015 Village Budget Fund, in accordance with the Regulation of the Minister of Village, Disadvantaged Regions and Transmigration No. 5 of 2015 requires the revision of RPJM of village to support the pre-eminent sector development targets in the National MediumTerm-Plan (RPJMN 2015-2019)and Government Work Plan (RKP) annually,

prioritizing: food, energy sovereignty, maritime and marine development, and supporting tourism and industry. In addition, the revised RPJM Village is also intended to re-adjust the areas of authority of the village government in accordance with prevailing laws and regulations so that the village government does not plan and implement programs and activities that are not authorized. The relationship between various planning documents and budgeting of village finances in projected One Village, One Superior Product can be displayed as follows:



Sources: Good Governance of Village Financial Management Since the Enactment of Law No.6/2014 (Case of the village of Kuaklalo and Oeletsala of Kupang Regency, 2017)

Source: Good Governance of Village Finance Management Since the Enactment of Law no. 6 Year 2014 (Case of the Village of Kuaklalo and Oeletsala of Kupang Regency, 2017)

The Oeletsala and Kuaklalo Village Governments have revised the RPJM Village and made the RPK Village in 2015,2016 and 2017 but the document is not clearly defined for the superior products of each sample village because in the Village Ministerial Regulation, PDTT 2015 and 2016 are not given confirmation explicitly that each Village must plan a Product of Excellence that is characteristic of the Village concerned according to the dominant potential of both renewable and non-renewable. During the 2015 and 2016 fiscal years both villages focus on the development of village infrastructure both related to development. Thus, even though both sample villages have farm-livestock potential but in RKP Village during the period it is not planned and budgeted funds from the Village Fund as well as other sources for the development of cattle and other agricultural commodities.

The results show that in 2015 the two sample villages received Rp 260 million for each village fund for the village of Kuaklalo used to build one meeting hall and one drill bit; and Oeletsala

Village of Rp 262.5 million for road construction in the form of paving roads connecting Kupang-Bismarak main road with two sub-villages within Oeletsala Village. The funds are fully absorbed for the construction of rural infrastructure in each village. Then in the fiscal year 2016 each village gets a Village Fund of Rp 629 million is also still focused on the development and construction of rural infrastructure, has not planned and budgeted Village Fund for general economic development and program One Village, One Superior Product.

Unplanned and budgeted Village Funds for the development of excellent products in both sample villages are due to ineffective socialization, less effective mentoring of sub-district and district governments related to the preparation of national, district and village priority programs that must be made in "revised RPJM Desa documents" which are subsequently included in RKP Desa and APB Desa every budget year, and limited quality of human resources of village apparatus. Thus, there are no synchronized plans and budgets between RPJM Desa and RKP Desa and APB Desa as the government hopes.

Furthermore, in 2017 every village in Taebenu sub-district of Kupang district receives an average of Rp 801,918,000 in Village Funds so that the Oletsala Village government plans and allocates Rp 105,000,000 of Village Funds for the procurement of 35 head of beef cattle distributed to farmers for further maintenance while the village of Kuaklalo planned and budgeted the procurement of 25 beef cattle with the allocation of Village Fund of Rp 75,000,000 for 25 farmers. In the Village RPJM and RKP of the current year is also not planned and budgeted Village Fund for the development of processing industries of agricultural products, except the processing of animal feed with Appropriate Technology that has been initiated and held by the Faculty of Agriculture University of Nusa Cendana in fiscal year 2012 although the utilization is still limited to a few breeders only. For the future, more farmers are expected to use the technology for the development of agricultural and livestock enterprises on a larger scale.

One Village, One Plan, One Budget, One Product (Village of Ile Padang District Lewolema-East Flores)

The village of Ile Padang is one of the villages of cashew nuts production centre in Lewolema District, East Flores regency with a population of 1,139 people with main source of income coming from the cultivation and production of Cashew that has entered the market of USA and India. Productive land area of Cashew Cashew \pm reaches 200 hectares with cashew nut production reaches an average of 135.41 tons per season, which can be sold sacra logs at an average price of Rp 20,000 per kilogram, and if processed into cashew nut reaches Rp 180,000 per kilogram. In addition, the potential of cashew fruit cashew nuts that have not been processed secaa commercial as one source of additional revenue. The potential of all fruit every season is 1,187.75 tons per season and if only 50% is processed into syrup, the gross revenue per season reaches Rp 2.012 billion or net income of Rp 804,859,200 per year (Jati, Fernandez, and Astuti, 2016).

In Ile Padang Village there are two Processing Units that cultivate organic cashew systems, produce cashew nuts and handle cashew nuts cashew marketing for the export destination market of the United States. Both UPHs are each year able to export cashews \pm 35 tons and cashew glondonga as much as 60 tons, while the fruits have not been processed by these two UPH.

Based on the results of research and interviews with Village Head of Ile Padang and both Head of UPH Management known that the activity of cultivation, production and marketing of cashew nut (cashew nut and cashew nuts) is done at expense of each member and group, for the smoothness of the business activity of this UPH.

On the other hand, one of the potentials of a viable household industry in the village of Ile Padang is through other productive economic groups in every neighbourhood that can process cashew fruit into various products, such as syrup, jam, chips, fruit juice, pickles, and various other products of high economic value. Household industry plays an important role in poverty alleviation due to its labor-intensive nature, real small capital with simple technology that makes it possible to be undertaken by lower classes especially in rural areas (Malik, 2015). During the year 2016 the authors and students participating KKN PPM in Ile Padang Village have trained the community and productive business groups to make syrup, cashew and cashew nut using simple technology so that people can do it with salvable results in additional income for every household farmers.

A review of the 2015 RPJM dossier of Ile Padang village that was revised in accordance with the provisions of legislation does not include programs and activities either in the field of development or in the field of community empowerment related to the implementation of One Village policy, One Product as expected by the government. Thus the RKP and Village In come and Eexpenditure Bbudget (APBDesa) Ile Padang village during the period 2015, and 2016 unplanned programs and activities following the budget in APBDesa that focuses on the development of superior products Village. Activity plans and budgets for the period of 2015 focus on infrastructure development in the form of construction of waves and abrasion walls in front of the Ile Padang Village Head Office with a budget of Rp 265,082,320 and in 2016 allocated Village Fund of Rp 625,710,500 used rehabilitation of drainage / flood retention in four hamlets and construction of Early Childhood Education building. Thus for two years the Village Fund budget in Ile Padang is used for the construction of village facilities, not yet allocated for the development of economic infrastructure that supports the development of rural households in general and the processing of cashew nut fruits (because of its potential is available even though seasonally) economic value as an implementation of the One Village approach, one superior product.

Then in 2017 the Village Fund is allocated for the Village of Ile Padang for ± Rp 714.350.000. The results of interviews with Village Head, Village Secretary and Head of Development Affairs are known that the Village Fund received in budget year 2017 is still used for the development of rural infrastructure. The Village Government has also started to allocate the Village Fund for the development of productive economic enterprises in groups, such as livestock business groups, woven crafts, sewing, cashew nuts, and cashew cultivation (organic cashew). Funds allocated for the development of micro-productive economic enterprises for all groups in the village of Ile Padang for fiscal year 2017 amounted to Rp 87,500,000 for all productive groups including women's group business.

Based on the information and data obtained can be explained that based on the resource potential owned by the village of Ile Padang is the dominant cashew plantation business, the superior product suitable to be developed because it has the advantage of organic cultivation in

accordance with the demand of foreign markets is "cashew nuts and nuts cashew nuts ", so that in the program-activity plan and budget in the coming years should be focused on superior products cashew, cashew nuts and other processed products made from cashew pure fruit.

Therefore, RPJM Ile Padang Village must be revised to include program and activity of development, production, processing and marketing of cashew nuts, cashew nuts and cashew nuts and other processed products based on cashew nuts as superior products of the Village, which is then described in RKP village and APB Village every year. Thus, after the village government together with the community to build public facilities of the Village then in the next stage is to build and develop economic facilities in the sector of household-specific scale type of cashew nut processing planned in RPK Desa and budgeted APB Desa funded from the Fund Village as expected by the government so that within 5-10 years to come Village of Ile Padang famous with Superior Product of Cashew and processed cashew nuts.

However, to develop processed cashew nut products including the processing of all the cashew fruit of the village government is also planning and budgeting capacity building of human resources through training and apprenticeship of entrepreneurship, business management, marketing management, production management and financial management as one way to prepare human resources quality in managing small rural micro-industries in accordance with the potential owned by villagers and natural resources in Ile Padang village. Implementation of the training activities (community empowerment field), the village government can invite instructors from other regions who have succeeded in developing nationally, regionally and globally renowned Competitive Products of the Village so that villagers are interested and motivated to develop excellent products in each village.

To develop the superior products of the Village in Ile Padang, Oeletsala and Kuaklalo require good and continuous cooperation between village government, local government, community and private sector so as to respond to local, national and foreign market needs and demand. The success of the One Village approach, one superior product (SDSPU) is largely determined by the consistency of policy and policy implementation from the government, local government and village government so that village governments together with the community can have an understanding, a plan and a budget to produce one or more excellent products which became the pride of their respective Villages and ultimately the Village community can develop superior household scale products.

However, it should be realized that the success of rural-scale industrial development by implementing SDSPU policy is determined by four things: 1) a correct understanding of the philosophy of the SDSP or SDSPU approach, 2) policies of the above nature that require each Village to focus on SDSPU should be issued since the beginning of the implementation of Law No. 2014 and PP No. 60 year 2014 and its changes through the RPJM revision of the village instead of each year issued a priority policy of the use of village funds that make the village government should revise the RPJM village each year, 3) the quality of resources human beings must be well prepared and sustainable, and 4) organized to be easily controlled. Claymore (2007) also pointed out that the failure of OVOP is caused by three elements, that is, the problem of not properly understanding the philosophy and approach of OVOP, top down policy issues, and the quality of human resources. Meanwhile, Chayani (n, d) also asserted that 1) the government not

only opens the marketing channels through the participation of products at the exhibition but also provides the market, in cooperation with other government agencies or private parties, 2) programming is not only focused on development technical production, and marketing, but also must build more motivation and awareness of the community to be more creative in exploiting the potential possessed in producing good products and can compete in the global market.

According to Malik (2015), basic problems in the development of small-scale industry (including households), among others: "lack of basic skills needed to manage a business to succeed, in product, administration, finance, marketing, distribution, and so on, as well as the reluctance of employers to seek information about the institutions that can help it ". Village Government as a facilitator and developer of development at the village level so that it is obliged to plan, budget, coordinate, implement and control the movement of One Village, One Superior Product with the community to improve the welfare of its citizens through productive economic effort on the scale of household and small scale.

To increase the knowledge, skills and capabilities of human resources to develop rural industries should be planned and budgeted for training and apprenticeship for productive people. The village fund that has reached billions of rupiahs has been able to solve a number of problems experienced by domestic business actors, including capital, while knowledge and skills can be overcome through training funded by important Village Funds (included in RKP village) and budgeted in APB village current year. Thus, within 5-10 years the approach and movement of the SDDPU will be realized and the community will experience a better and prosperous life

CONCLUSION

Government policy for each village in Indonesia to produce a superior product of the village is one of the breakthroughs to accelerate the progress of rural development as well as to reduce the poverty rate and reduce the urbanization rate, but the lack of consistency in the implementation because when issued the policy so that all villages receiving Village Fund revise RPJM village early 2015 was not accompanied by a policy on the priority of using the Village Fund with the SDSPU approach so that three sample villages did not include SDSPU programs and activities. As a result, RKP village subsequently no longer synchronized with RJPJM, RPJM of district and RPJM of the Village concerned, but the Village still planned and budgeted funds for programs and activities of SDSPU and have been implemented such as in Oeletsala and Kuaklalo while Village of Pad Padang not focus on superior products Cashew which is the largest potential in the village. Implementation of the SDSPU policy in line with the Decree of the Minister of Village, PDTT 2016 still faces obstacles in coordination among agencies implementing the same programs, such as Cooperatives and SMEs, and Industry-trade, as Pasaribu, et al (2011) finds that "the limitations of internal factors in various forms which theart OVOP movement in improving the competitiveness of SMEs products in Indonesia, among others, the legislation and valleys coordination between related agencies, especially in financing that resulted in the tersatasinya implementation of activities in the field.

The problem of coordination in the implementation of SDSPU policy is still a barrier, especially on the technical institutions, namely the Department of Cooperatives and SMEs, the Department

of Industry and Trade, the Department of Culture and Tourism and the Community Empowerment Board and the village government, and the village government, especially in determining the priority of the use of the Village Fund and coaching and mentoring. The approach and movement of the SDSPU has good prospects because funding issues can be solved with the Village Fund. Improvement of quality Human resources become the main condition of program success must be prepared while improving communication and coordination among related institutions.

ACKNOWLEDGEMENT

Thanks to the Village Head, Village Secretary, Government Affairs and Community Leaders of Ile Padung Village - East Flores; Oeletsala and Kuaklalo Kupang Villages which have provided data and information support during research and community service activities and KKN PPM in each sample village.

References

- Claymone, Yoopin. 2007. A Study on One Village One Product Project (OVOP) in Japan and Thailand as an Alternative on Community Development in Indonesia: A Perspective on Japan and Thailand, Paper International OVOP Policy Association (IOPA) Conference, at Zheijang University, Shanghai, Cina.
- Chayani, Rusnandari Retno. N.d. Pendekatan One Village One Product (OVOP) Untuk Meningkatkan Kreativitas UMKM dan Kesejahteraan Masyarakat.
- Jati, Hironnymus. 2016. Menumbuhkan Peran dan Fungsi Kelompok Dalam Mengolah Buah Semu Jambu Mete Guna Meningkatkan Pendapatan Masyarakat, *Prosiding, Semianr Nasional: Reaktualisasi Pemberdayaan Masyarakat pada Era Berbasis Persaingan Bebas*, 10 Desember 2016, ISBN: 978-979-18768-6-5, Fakultas Pertanian UPN "Veteran" Yogyakarta
- Jati, Hironnymus. 2017. Good Governance Pengelolaan Keuangan Desa Sejak Berlakunya Undang-Undang No.6 Tahun 2014 (Kasus Desa Kuaklalo dan Oeletsala Kabupaten Kupang), Belum Dipublikasikan.
- Jati, Hironnymus; Dominikus Fernandez, Indri Astuti. 2017a. Empowerment MSE Creative Economy Through Innovation Program to Increase Revenue Golden Gate Community: Study in teh District of East Flores, *International Journal of Management and Administrative Science (IJMAS)* (ISSN: 2225-7225), Vol.4, No.12 (27-44).
- Jati, Hironnymus; Dominikus Fernandez, Indri Astuti. 2017b. Parthnership Models and Income of Micro-Small Enterprises as Gerbang Emas Funds Bebeneficiaries in East Flores

Regency, *Journal od Perspective of Financing and Regional Development*, vol.5.No1, July-September 2017;pp13-26

Malik, Hermen. 2015. *Bangun Industri Desa*, IPB Press, Bogor

Pasaribu, Sahat, et al. 2011. *Pengembangan Agro Industri Perdesaan Dengan Pendekatan One Product One Village (OVOP)*, Forum Agro Ekonomi, Vol.29, No.1:1-11

Pratomo, Nugroho. 2017. *Badan Usaha Miliki Desa: Instrumen Penyauran Bagi Dana Desa*, www.validnews.com, 20 September 2017

Tambunan, Tulus, TH. 2001. *Ereconomian Indonesia, Teori dan Temuan Empiris*, Ghalia, Jakarta

Peraturan Perundang-Undangan

Kementerian Desa, Pembangunan Daerah Tertinggal dan Transmigrasi,RI. 2015. *Keputusan Menteri Desa, PDTT, No. 5 Tahun 2015 Tentang Prioritas Penggunaan Dana Desa 2015*. Jakarta

Kementerian Desa, Pembangunan Daerah Tertinggal dan Transmigrasi,RI. 2016. *Keputusan Menteri Desa, PDTT, No. 22 Tahun 2016 Tentang Prioritas Penggunaan Dana Desa 2017*. Jakarta

Kementerian Desa, Pembangunan Daerah Tertinggal dan Transmigrasi,RI. 2015. *Keputusan Menteri Desa, PDTT, No. 8 Tahun 2016 Tentang Prioritas Penggunaan Dana Desa 2016*. Jakarta