



Education Food Security Efforts in West Kalimantan through MSME Education by Bank Kalbar

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Abstract: This research investigates what practical strategies Bank Kalbar can implement to improve family welfare in West Kalimantan through revitalizing education for MSMEs. This research uses a qualitative method with a case study approach. The instrument in this research is interviews. Data was obtained through in-depth interviews with Bank Kalbar and the regional government. Data were analyzed descriptively through stages of data reduction, thematic analysis, and interpretation of findings according to research needs. The research results show that Bank Kalbar has implemented various programs and strategies to strengthen education and socio-economic development to revitalize MSMEs in West Kalimantan. These programs include technical training, digital-based business adaptation, and financing support. Bank Kalbar has also implemented various strategies to strengthen education and socio-economic development, such as internal and external revitalization, network development, and collaboration with various related parties. Provides opportunities to improve family welfare in West Kalimantan, especially for people around MSME locations, such as housewives

Keywords: Bank Kalbar; Food Security; MSME Education

Introduction

MSMEs are one source of family livelihood in meeting daily needs. Furthermore, MSMEs provide many job opportunities for men and women who are the backbone of their families (Dharmayanti et al., 2022). Revitalizing MSMEs will have a direct impact on the welfare of their owners and employees. Moreover, the facts show that in Kalimantan inequality in access to secondary education always occurs (Khoironi & Sudrajat, 2023). The level of inequality is due to the educational background of the head of the family and economic conditions and place of residence. One of the strategic steps to improve the economy for families in Kalimantan is to provide education for MSMEs (Hansen et al., 2015). Revitalization of MSMEs in the form of collaboration between MSME players, the government and banking institutions to achieve regional economic stability and recovery. Therefore, MSME education is important in strengthening the economy of the people in West Kalimantan.

West Kalimantan (Kalbar) Province has great economic potential, especially in the Micro, Small and Medium Enterprises (MSME) sector (Sugianto et al., 2022). MSMEs have an important role in the Indonesian economy, contributing around 60.5% of Gross Domestic Product (GDP) and absorbing around 96.9% of the national workforce. MSMEs always face obstacles in providing educational and training opportunities for their employees, such as a lack of resources, time and funding, as well as a lack of awareness of the importance of training (Puspatriani, 2023). In West Kalimantan Province, MSMEs have an important role in regional economic development. Even though there are so many challenges, such as capital and financial management faced (Achmad et al., 2022). The regional government and Bank Kalbar have collaborated to revitalize MSMEs post-COVID-19 pandemic through various programs, including credit schemes and technical training (Yuyun et al., 2023). In the context of MSME revitalization, education plays an important role in strengthening the quality and

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competitiveness of MSMEs (Baroroh et al., 2020). Education can help MSMEs develop the skills and knowledge necessary to manage their businesses better. Apart from that, education can also help MSMEs face increasingly complex economic challenges and changes, including dealing with the impact of the COVID-19 pandemic.

Bank Kalbar has a strategy for revitalizing MSMEs to strengthen the socio-economics of the community in West Kalimantan (Nico & Gantini, 2023). Bank Kalbar has assisted MSMEs in recovering and adapting digital-based businesses through internal and external revitalization strategies. It can be concluded that management innovation is important for MSMEs not only to be able to survive well, but also to expand the product marketing network. Another thing that can increase the success of MSMEs is a network in achieving profits for MSME businesses. Education can help MSMEs build strong and effective networks in order to expand markets and increase business profits.

In the context of MSMEs in West Kalimantan, education can also help MSMEs face increasingly complex economic challenges and changes, including dealing with the impact of the COVID-19 pandemic (Nordhagen et al., 2021). Technical training and education provided by Bank Kalbar and local governments can help MSMEs improve their skills and knowledge in managing business, as well as assist them in adapting to digital-based businesses (Falentina & Resosudarmo, 2019). Ultimately, education plays an important role in the revitalization of MSMEs in West Kalimantan. Technical training and education provided by Bank Kalbar and local governments can help MSMEs improve their skills and knowledge in managing business, as well as help them face increasingly complex economic challenges and changes. This research aims to investigate what practical strategies Bank Kalbar can implement to improve family welfare in West Kalimantan through revitalizing education for MSMEs.

MSMEs are one source of family livelihood in meeting daily needs. Furthermore, MSMEs provide many job opportunities for men and women who are the backbone of their families (Dharmayanti et al., 2022). Revitalizing MSMEs will have a direct impact on the welfare of their owners and employees. Moreover, the facts show that in Kalimantan inequality in access to secondary education always occurs (Khoironi & Sudrajat, 2023). The level of inequality is due to the educational background of the head of the family and economic conditions and place of residence. One of the strategic steps to improve the economy for families in Kalimantan is to provide education for MSMEs (Lestari et al., 2021). Revitalization of MSMEs in the form of collaboration between MSME players, the government and banking institutions to achieve regional economic stability and recovery. Therefore, MSME education is important in strengthening the economy of the people in West Kalimantan.

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Method

This research uses a qualitative method with a case study approach (Huwaída et al., 2023). The case study approach was chosen because it can provide an in-depth and detailed picture of the revitalization of MSMEs in West Kalimantan and Bank Kalbar's strategy in strengthening education and socio-economic development for the family welfare of the people of West Kalimantan. The instrument in this research is interviews. Data was obtained through in-depth interviews with Bank Kalbar and the local government. In-depth interviews were conducted with the aim of obtaining in-depth and detailed information about the MSME revitalization program and Bank Kalbar's strategy. The data was validated through the triangulation method, including adapting to the MSME revitalization program documents (Laurent, 2020). Data was analyzed descriptively through stages of data reduction, thematic analysis, and interpretation of findings according to research needs.

Result and Discussion

The revitalization of MSMEs in West Kalimantan is an effort to improve the quality and competitiveness of MSMEs in the area. Furthermore, revitalization of MSMEs has had an impact on improving family welfare in West Kalimantan. Apart from supporting the economy, MSMEs are also a means for women to help meet their family's needs. Because MSMEs create many job opportunities for residents around the location, especially housewives. Women also have an important role in the family and society as well as for economic growth (Raspati & Kadiyono, 2023). Progress in the MSME industry has a direct impact on women's empowerment. Women's empowerment is the ability of women to have life choices, including making effective business or entrepreneurial decisions to reduce social and economic barriers. The specifics of the sociocultural environment greatly determine women's opportunities to access entrepreneurial pathways and the success of their businesses (Nurudin, 2018). This opportunity can be achieved in Indonesia through entrepreneurial activities or MSMEs (Micro, Small and Medium Enterprises).

In this effort, education plays an important role in strengthening the skills and knowledge of MSMEs in managing their businesses better. Bank Kalbar as one of the financial institutions in West Kalimantan has carried out various programs to strengthen education and socio-economic development in order to revitalize MSMEs in the area. The West Kalimantan Regional Development Bank (Bank Kalbar) was founded in 1963 as a Regional Company. The business license was issued by the Minister of Central Bank Affairs (Governor of Bank Indonesia) in 1963, and the inauguration was carried out on April 15 1964. In 1993, Bank Kalbar obtained a Regional Development Bank (BPD)

business license in accordance with Law no. 7 of 1992 concerning Banking. In 1999, the legal status of Bank Kalbar changed to a Limited Liability Company (PT) through a Notary Deed Widiyansyah, SH.

Bank Kalbar has an extensive service network throughout West Kalimantan and Jakarta, including head office, branches, sub-branch offices, micro business units, cash offices, car cash, payment points, sharia services, ATM machines and CDM machines. Bank Kalbar has also integrated its ATM network with ATM Bersama and ATM MEPS, and has a branch in Jakarta. Bank Kalbar provides various services including balance information, cash withdrawals, transfers, purchasing credit vouchers, paying postpaid card bills, paying electricity bills, telephone, insurance and subscription TV. Bank Kalbar is committed to becoming a high-performing bank, supporting regional economic growth, managing regional government funds, and paying attention to the MSME sector. Bank Kalbar also has the tagline "Bank Kite, Punye Kite" which emphasizes the ownership of the bank by the people of West Kalimantan and the enthusiasm to get closer to the people of West Kalimantan. Bank Kalbar is trying to compete with top national banks by developing its products and tools.

West Kalimantan MSMEs

As of 2021, West Kalimantan has 182,707 units of Micro, Small and Medium Enterprises (MSMEs) with micro businesses dominating 91.23%, followed by small businesses at 7.95% and medium businesses at 0.81%. Pontianak City has the largest number of MSMEs, namely 39,868 units, with the culinary sector being the most dominant. Even though MSMEs in West Kalimantan continue to grow, only around 13,827 business actors have official business permits. Some MSMEs feel that business permits are not important because their businesses are considered small and the procedures for obtaining permits are too complicated. However, business permits are considered important because they facilitate collaboration, provide legal recognition, provide access to capital, and protect business locations. The government has tried to simplify the MSME licensing process through the Online Single Submission (OSS) system.

Currently, MSMEs can take advantage of various marketplaces to promote their products and services. There are also local marketplaces in West Kalimantan such as waroengkite.id, umkmmkalbar.id, and others. Apart from that, the government has developed an online auction system to help MSMEs promote their products (Augendra et al., 2019). MSMEs in West Kalimantan have various types of businesses, including weaving crafts, handicrafts and traditional culinary delights. Apart from that, there are also superior products from each district/city in West Kalimantan which continue to be developed to improve the quality and marketing of these MSME products.

Revitalization of MSMEs and Empowerment of the West Kalimantan Community

MSMEs and their various problems are the definition of MSMEs based on Law Number 8 of 2008 is explained, MSMEs can be divided into three categories: micro, small, and medium, MSMEs in West Kalimantan are dominated by micro and small businesses, MSMEs face various problems such as credit constraints, access to raw materials, lack of skilled labor, and lack of integration with production and marketing networks.

MSME problems included low productivity, small investment, and limited access to capital resources and raw materials, low use of technology, lack of skills in managing businesses, and dependence on government assistance, capitalism, difficulties in accessing capital are caused by provisions regarding collateral and a lack of financing sources, and their obstacles include work culture problems, lack of knowledge in marketing, and difficulties in obtaining business permits (Armanu et al., 2017).

Solutions and Support for MSMEs are Bank Kalbar provides credit facilities to MSMEs with conditions that vary according to the scale of the business, Bank Kalbar focuses on lending to MSMEs as an important part of the West Kalimantan economy, MSME players need to receive guidance, training and support in business management and marketing, clear and regular business licensing is the key to gaining access to financing and business development, challenges and constraints for MSMEs in West Kalimantan: Complicated business permit processing procedures, especially through the Online Single Submission (OSS) mechanism, the absence of a legal entity can prevent MSMEs from tax burdens, but also limits their access to capital, MSMEs in West Kalimantan are still weak in product innovation, marketing strategies and various business aspects.

Strategy and Implementation of Bank Kalbar in Revitalizing MSMEs

Credit Products and MSME Revitalization

Anak Kalbar has a strong commitment to supporting the empowerment and development of MSMEs in West Kalimantan. Even though it is a regional development bank, Bank Kalbar is aware of its role in supporting regional government economic policies and programs. In the 2019-2023 RPJMD for West Kalimantan Province, it was revealed that economic growth is largely driven by the consumption sector, and to advance the regional economy, the main focus is increasing investment, trade, exports and developing MSMEs. However, West Kalimantan faces classic problems, namely limited capital and low productivity in the MSME sector. This is caused by various factors, including low quality human resources, weak entrepreneurial competence, and limited access to capital, technology, and markets (Chumaidiyah, 2017).



Figure 1. Portrait The existence of MSMEs in West Kalimantan (2022)

Bank Kalbar responded to this challenge by offering a variety of special credit schemes for MSMEs, which aim to support production and business development. Bank Kalbar believes that advancing MSMEs is the key to sustainable regional economic growth (Sumiati, 2020). Bank Indonesia official, Johansyah, also stated that the bank will always look for opportunities where there are growing businesses, both large and small, and that creating entrepreneurs is an important prerequisite for the growth of a country's banking and economy.

In partnership with MSME players, Bank Kalbar offers various credit schemes, including those without collateral and low interest, as well as digital technology support such as banking services via cellphone and internet. This bank is committed to helping MSMEs and small businesses grow and develop in the long term.

KUM Cares

KUM Peduli is a micro credit product from Bank Kalbar designed to help MSMEs at the micro level and fight loan sharks who charge high interest. This credit is available up to IDR 5 million without collateral, with interest of 5% per year, and easy terms. This program is a collaboration with the West Kalimantan Provincial Government and the West Kalimantan OJK to accelerate access to capital for MSMEs in the region. Bank Kalbar Bengkayang Branch is actively socializing this program to help MSMEs, especially small businesses, avoid the practices of loan sharks and obtain loans with lower interest rates.

People's Business Credit

Bank Kalbar has launched the People's Business Credit Program (KUR) which aims to support Micro, Small and Medium Enterprises (MSMEs) in West Kalimantan. This KUR program is a form of productive credit given to prospective micro, small or medium entrepreneur debtors to help with business working capital or investment. This KUR scheme offers a maximum loan of IDR 500,000,000 with a fairly low interest rate, namely 6% per year. Debtors can choose a maximum term of five years, with the possibility of extension in accordance with applicable conditions.

To apply for KUR, MSME players are required to fulfill several requirements. One of them is obtaining approval from the Ministry through the process of inputting prospective debtor data into the Program Credit Information System (SIKP). Documents such as photocopies of KTP, KK, marriage/divorce certificates, business permits, savings books, financial reports, and other documents according to the loan amount are also required in the KUR application process.

In 2022, Bank Kalbar allocated a KUR quota of IDR 350 billion, an increase from the previous year. This quota is divided into several sectors, including micro, super micro and medium enterprises throughout the West Kalimantan region. President Joko Widodo supports the development of KUR Clusters to facilitate the distribution of KUR to MSMEs. He emphasized the importance of KUR clustering so that credit can be provided more efficiently and supports MSME business development.

Apart from Bank Kalbar, Bank Indonesia also plays a role in supporting the growth of the real sector and MSMEs through the Cluster Development Program. The cluster approach was chosen to increase efficiency and facilitate the growth of the real MSME sector. The KUR program has been proven to provide benefits for MSMEs by providing easy access to business capital. KUR recipients use these funds to expand businesses and productive sectors, creating shared value between banks and debtors.

One successful example is an MSME player in Pontianak City who uses KUR for a soap production business called Omega. Bank Kalbar provides KUR support in developing this business, helping MSME entrepreneurs to develop their products. Likewise, alumni of the Bogor Agricultural Institute (IPB) in West Kalimantan play an active role in facilitating and maximizing the distribution of Bank Kalbar's KUR, providing information and assistance to the public regarding KUR applications.

Apart from Bank Kalbar, Bank BRI is also actively distributing KUR in West Kalimantan with research results showing the positive impact of this program on business income and productivity of MSMEs. BRI Bank has a large portion of KUR distribution nationally. Through these various efforts, the KUR program has made a significant contribution in supporting the growth of MSMEs in West Kalimantan.

IB Financing for People's Enterprises (Syari'ah) and KUM Sejahtera

Bank Kalbar offers a financing product called iB Usaha Rakyat which is aimed at Micro, Small and Medium Enterprises and Cooperatives (UMKMK). This financing takes the form of working capital and investment with guarantee facilities for productive businesses. Several financing criteria include being intended for productive businesses that are feasible but not yet bankable, a maximum period for working capital of 36 months and investment for 60 months, a direct distribution pattern to MSMEs or through

linkage institutions, a maximum financing period of up to IDR 500 million for individuals, and a maximum financing up to IDR 1 billion through linkage institutions with distribution of up to IDR 100 million (executing pattern).

Apart from that, Bank Kalbar also provides KUM Sejahtera, namely micro business financing in the form of working capital and investment. This program has criteria such as a maximum credit of IDR 5 million to IDR 50 million, competitive interest rates, and a maximum term of three years for working capital and investment.

Even though there are several bad loans in MSME credit, Bank Kalbar has succeeded in overcoming this problem well and managing it well. Bank Kalbar is very interested in serving MSMEs because MSMEs have a large credit allocation, are widely spread, easy to serve, and have a relatively low level of risk. By focusing on MSMEs, this bank is able to provide credit services to the community with high social sensitivity, in line with the concept of sustainable finance which integrates environmental, social and governance criteria into business decisions for long-term benefits for clients and the wider community.

Obstacles in Revitalizing MSMEs

Bank Kalbar management tries to actively play a role in supporting the revitalization and development of Micro, Small and Medium Enterprises and Cooperatives (UMKMK). However, this process did not run without problems. These obstacles can be divided into two categories, namely internal and external obstacles. The first internal obstacle is limited human resources at Bank Kalbar which is specifically tasked with the MSME sector. There are limited personnel who have adequate understanding and knowledge about MSMEs. Previously, Bank Kalbar did not have a separate MSME Division, so the existence of this division created challenges related to the availability of competent personnel.

The second internal obstacle is the challenge in convincing all levels and divisions of Bank Kalbar to pay great attention to MSMEs. Some circles in the banking world still see massive credit disbursement to MSMEs, especially those on a micro and small scale, as economically unprofitable. They argue that the costs incurred by banks to disburse credit to MSMEs are not much different from the costs for credit to corporations or large businesses. Therefore, business efficiency is a problem that must be overcome.

Apart from internal obstacles, there are also external obstacles faced by Bank Kalbar in supporting MSMEs. Some external constraints include there is a tendency for MSME players to divert the use of credit provided by Bank Kalbar for unproductive purposes, such as consumption, education or paying personal debts. This hampers the development of MSME businesses, many MSMEs are changing their business types quickly, which makes credit management and business monitoring difficult and inconsistent, instability in MSME businesses can affect overall business conditions, including production, marketing and business capital turnover. This can

affect the ability of MSMEs to repay loans in accordance with the credit agreement., tight business competition can make it difficult for some MSMEs to develop. They may be less able to innovate and adapt to market changes, a lack of discipline in preparing financial reports and business bookkeeping can make supervision and monitoring of MSME businesses difficult, large variations in business types, characteristics and geographical locations of MSMEs are a challenge for Bank Kalbar in providing appropriate support, and the risk of bad credit always exists, and some MSMEs may experience difficulties in repaying loans.

However, Bank Kalbar has various methods and approaches to overcome these obstacles, including developing competent personnel, credit restructuring, and a proactive approach in handling bad loans. Even though these obstacles are real challenges, Bank Kalbar remains committed to supporting the growth and development of MSMEs as part of its social mission. This reflects awareness of the importance of building community welfare, especially in areas that still rely on the MSME sector.

Strategies in Revitalizing and Empowering MSMEs

Bank Kalbar, as a regional development bank in West Kalimantan, has an important role in supporting economic growth and sector equality in the region. One of the steps taken by Bank Kalbar is to provide credit to Micro, Small and Medium Enterprises (MSMEs) to support their capital. This is in line with efforts to support the regional economy and improve community welfare (Wakarmamu, 2017).

In the tourism context, Bank Kalbar is also committed to supporting the recovery and progress of the tourism sector in West Kalimantan. One way is through participation in the Semarak Wisata, MSME and Khatulistiwa Finance 2021 (Saprahan Khatulistiwa 2021) activities, which were held by the West Kalimantan Bank Indonesia Representative Office. Bank Kalbar provides symbolic credit to business actors in the tourism sector, including those engaged in handicrafts and souvenirs.

Providing credit to MSME debtors is part of the National Economic Recovery (PEN) program, where Bank Kalbar is the government's partner in efforts to revive the national economy. By providing working capital credit to MSMEs, Bank Kalbar participates in strengthening the demand and supply of goods and services in the tourism sector. The Governor of West Kalimantan, Sutarmidji, provided support and appreciation for the 2021 Saprahan Khatulistiwa activities. The West Kalimantan Provincial Government is also trying to provide facilities and infrastructure to market MSME products and provide training. They are trying to organize the place as a showroom to display MSME products to motivate MSME players to develop their businesses.

Bank Kalbar, as a regional development bank owned by the Regional Government, has the main mission to increase regional economic growth. They focus on developing MSMEs as one of the strategies to achieve this goal. In 2022, Bank

Kalbar will disburse credit to the MSME sector in all districts/cities in West Kalimantan. This is a real step in supporting the regional economy. In the profile table of Bank Kalbar's credit disbursement to MSMEs in all districts/cities in West Kalimantan Province throughout 2022, it can be seen the contribution of Bank Kalbar in encouraging economic growth in various regions in West Kalimantan.

Internal Revitalization Strategy

In an effort to support the economic recovery of MSMEs (Micro, Small and Medium Enterprises) amidst the Covid-19 pandemic, Bank Kalbar has implemented a comprehensive revitalization strategy. This revitalization concept includes strategic steps aimed at reviving and developing MSME businesses which during the pandemic were hampered and unstable.

First, Bank Kalbar focuses its attention on strategic leadership. This leadership concept has been implemented since November 2020, with a focus on policies to improve the MSME sector. This is driven by the awareness that appropriate leadership is very influential in directing policies that support MSMEs.

Second, Bank Kalbar formed an MSME Division as part of its revitalization plan. Previously, MSME services were included in the Credit Division. The formation of this division allows Bank Kalbar to pay more special attention to the MSME sector. As a result, the number of MSME customers and total funds disbursed continues to increase.

Third, Bank Kalbar is also opening special MSME branches in various regions. This step was taken because MSME growth was very rapid, and competition with other banks was also increasing. Currently, there are only two special MSME branches in Pontianak City and Sintang Regency, but plans are to add them in several other locations.

Fourth, Bank Kalbar is committed to continuing to increase the nominal credit provided to MSMEs. Business capital is still the main obstacle for MSME players, and Bank Kalbar is trying to attract new debtors and simplify bureaucratic processes to speed up service.

Fifth, strengthening the field of information technology is a priority. Bank Kalbar has prepared its IT system and network so that it is not inferior to competitors. Digital banking and online payment services are available, following the growing digital banking trend.

Lastly, Bank Kalbar also plans to increase technical training for MSME players. This training will cover aspects of IT, management, financial reports, as well as digital promotion and marketing strategies. It is hoped that this will help MSME players adapt to increasingly digital business developments.

With these strategic steps, Bank Kalbar hopes to make a positive contribution to the economic recovery of MSMEs in the West Kalimantan region, which has been greatly impacted by the Covid-19 pandemic. This revitalization is not only

about recovery, but also about developing and empowering MSMEs for a more stable and sustainable future.

External Revitalization Strategy

Bank Kalbar implements internal and external revitalization strategies to support MSME development. External revitalization involves collaboration with the West Kalimantan Provincial Government's Department of Cooperatives and MSMEs, including the construction of the MSME Marketing Center Building. The main goal is to promote MSME products widely and facilitate sales in large quantities. This revitalization is also related to the "One Village One Product" concept which supports independent villages.

Bank Kalbar provides training and technical guidance, including product packaging, to improve the quality of goods produced by MSMEs. In a Forum Group Discussion (FGD), MSME players expressed difficulties in marketing their products, which was also seen by Governor Sutarmidji and other regional heads. They support the construction of a marketing center building for MSME products in Pontianak as a way to overcome this problem.

Bank Kalbar also collaborates with other institutions, such as universities, to train and guide MSMEs. In the national context, the Ministry of Cooperatives and SMEs also has a strategy to support the development of MSMEs throughout Indonesia, including creating a conducive business environment and increasing access and competitiveness of MSMEs.

In addition, MSMEs in Indonesia, as identified in the study in Peru, have many similarities with the informal sector, which needs to be recognized, liberated and formalized. Entrepreneurial communities and networks between business actors also play an important role in supporting the growth of MSMEs and facilitating the exchange of knowledge, capital and new marketing channels.

Overall, the revitalization strategy and support from various parties helps MSMEs in West Kalimantan to overcome various challenges and develop better in a competitive economy. Prospects for Strategic Revitalization of MSMEs for Community Socio-Economic Empowerment

Strategic Position of MSMEs and Community Economic Empowerment

Micro, Small and Medium Enterprises (MSMEs) have an important role in the national and local economy. In Law no. 20 of 2008, MSMEs are defined based on net worth and annual sales results. MSMEs make a major contribution to employment, export value and the formation of GDP figures.

The government and Bank Indonesia pay special attention to MSMEs, with President Joko Widodo emphasizing the importance of digitalization and growth in the number of MSMEs registered on the marketplace. The West Kalimantan Provincial Government is also actively encouraging the development of MSMEs, especially in terms of product packaging, banking access and IPR protection.

Improvements in MSME financing performance occurred in the agricultural and electricity, gas and clean water sectors. However, attention needs to be paid to improving credit quality and increasing the NPL ratio. West Kalimantan MSME products have great potential for export, with a focus on the creative industry.

In developing MSMEs, an important role is also played by the private sector, which is required to increase its competence and competitiveness. Overall, MSMEs have a strategic role in the Indonesian economy, and efforts to support their development continue to be made by the government and various related parties.

Economic Policy and Community Welfare

West Kalimantan (Kalbar) Province has great economic potential, especially in natural resources, trade, industry and fisheries. Even though it is not yet on par with the provinces on the island of Java, West Kalimantan has a level of progress that is comparable to other provinces in Kalimantan. In the trade sector, West Kalimantan produces primary products that sell well on the market, and the value of exports increased after experiencing a decline in 2015. The fisheries sector also experienced an increase in production, although GRDP growth in the marine and fisheries sub-sector was fluctuating.

The West Kalimantan regional government is trying to prioritize the economic sector, considering the high rates of unemployment and poverty. Despite the decline in these numbers, these challenges still exist. An increase in the GDP per capita value shows positive economic growth. West Kalimantan's economy will grow in 2022, driven by improvements in domestic demand and exports of main commodities. The government focuses on development that not only aims at economic growth, but also reduces disparities between regions and ensures social justice.

West Kalimantan also shows positive economic growth in a number of indicators, such as export value, rice production and farmer exchange rates. The West Kalimantan government is also trying to upgrade the village level to become an Independent Village as part of efforts to build community welfare.

Innovation is considered an important factor in the development of MSMEs in West Kalimantan, along with supporting entrepreneurship policies. The government needs to focus on cross-sector policy coordination, incubation model training, and other factors such as infrastructure, digital literacy, collaboration, and partnerships to increase the capacity of MSMEs. Thus, West Kalimantan has strong economic potential and strives to achieve sustainable economic progress by paying attention to strategic issues and prioritizing innovation in the MSME sector.

Digitalization and Sustainability of MSME Businesses

Digitalization is a stage in the change towards digital transformation in business. It involves various aspects including technology, human resources, and business

strategy. This term is also known as Industry 4.0, which started in 2011. Digital transformation involves all business activities, not only technology, but also other components such as human and financial resources. In the digital era, organizations utilize information technology as a strategic tool and weapon.

Apart from that, there is also the term "digital economy" which refers to economic activities based on internet digital technology. This includes various terms such as internet economy, web economy, digital-based economy, new knowledge economy, or new economy. The era of the digital economy reached its peak when organizations began to combine the productivity of information technology with the knowledge of human resources to carry out global transactions across borders in the form of a connected economy. Here, the question is no longer "what is your business," but rather "how is your digital business model."

The benefits of a business digitalization strategy are very diverse. These include increased employee morale, motivation, and productivity, increased accessibility, accelerated decision-making processes, greater data accuracy, reduced errors, opportunities for digital innovation, and greater profit potential. Digital transformation can be carried out through various strategies, including platform utilization, new distribution channels, and rebundling based on digital products and services. The development of digital technology has changed various aspects of life, including communication, education and the economy. In the financial services industry, digital technology has changed the way products are offered, transactions are conducted, and accounts are opened.

However, even though digital technology has developed rapidly, there are still challenges related to financial literacy and digital literacy in society. Some customers still choose manual service over digital. Bank Kalbar, for example, continues to develop digital-based services even though there are still problems with internet coverage in several areas. For MSMEs, digital transformation in the Industry 4.0 era is important to increase competitiveness. With increasingly easier internet access, the development of digital marketplaces, and digitization in business and marketing processes, MSMEs have the opportunity to grow and reach domestic and international markets. However, there needs to be a change in the mindset of MSME players and internationalization strategies so that they can compete globally.

Digital entrepreneurship is also a relevant factor in facing these changes. Businesses that utilize digital technology for processing and marketing their products have great potential to make a positive contribution to the Indonesian economy. In this way, digital transformation is an important key in facing economic and business changes in the current digital era.

In 2021, MSMEs in Indonesia will still not take advantage of many global market opportunities, with the contribution of MSME exports only reaching 14.3%. One of

the contributing factors is the lack of understanding and orientation of MSME actors towards foreign markets, especially because many of them are necessity entrepreneurs who are only oriented towards daily needs. To overcome this, changes in the mindset and orientation of MSME actors through the internationalization process are needed.

The COVID-19 pandemic has accelerated the growth of digital-based businesses, and the government has encouraged digital transformation in MSMEs. Digital entrepreneurship, which uses digital technology for all aspects of business, is becoming a significant trend. Digitalization affects MSMEs equally, but the impact is greater on MSMEs that do not adopt digital platforms.

Fintech, or financial technology, is an important aspect in the digitalization of MSME businesses. Fintech helps MSMEs in managing finances with lower administration costs and efficiency in financial transactions. The government is also actively supporting the digitalization of MSMEs through programs such as "MSMEs Go Online" and "Digital Technology Adoption Program 4.0." Apart from that, social capital and information technology are the keys to increasing the ability to share knowledge and innovation in MSME businesses. Through a combination of social capital and information technology, MSMEs can strengthen their competitiveness. In West Kalimantan, efforts to digitalize MSME businesses are already underway, although there are still obstacles that need to be overcome. The central and regional governments are also trying to encourage MSMEs to utilize digital technology in their business. The Ministry of Finance, for example, has provided support to MSMEs to grow through digital transactions so they can compete globally (Falentina et al., 2021).

In the view of the General Chair of the Pontianak City Association, Deddy Supriadi, MSMEs must follow business patterns in the digital era. The current era is being referred to as "digital magic." The progress of MSMEs and the quality of their products really depends on their ability to utilize internet technology. However, the benefits of digital technology are enjoyed more by the upper middle segment, while lower middle MSMEs use the internet less.

Bank BRI Pontianak Branch also supports the use of technology in developing MSME businesses, especially in the West Kalimantan border area. They are committed to distributing KUR (People's Business Credit) and supporting the digitalization of MSMEs. BRI Bank provides education to MSME players about transactions using QRIS (Quick Response Code Indonesian Standard) through the BRIMO (Bank BRI Mobile) application. They also created pasar.id, which facilitates traditional market traders to make virtual transactions.

Bank Indonesia in West Kalimantan also plays a role in encouraging the digital transformation of MSMEs by providing QRIS as a digital payment channel. QRIS enables MSMEs to transact efficiently and accelerate financial inclusion.

The experience of an MSME player in Pontianak shows that implementing QRIS makes business easier. The Governor of West Kalimantan also acknowledged the important role of Bank Indonesia in developing MSMEs in the region.

In other places, such as East Kalimantan, the presence of Shopee MSMEs has received a positive response. The Shopee MSME Campus is expected to help local MSMEs adapt to the digital era and reach national and international markets. The government also plays a role in supporting the digital transformation of MSMEs (Games et al., 2021).

In West Sumatra, MSMEs are increasingly realizing the importance of digitalizing their business, especially during the pandemic. However, limited internet access is still an obstacle in some areas. The government needs to ensure equal internet access in the region. Overall, MSMEs are increasingly adopting digitalization in their businesses, but the main challenges are equitable internet access and consistent government support.

The research results show that Bank Kalbar has carried out various programs to strengthen education and socio-economic development in order to revitalize MSMEs in West Kalimantan. These programs include technical training, digital-based business adaptation, and financing support. Technical training aims to improve the skills and knowledge of MSMEs in managing their businesses better, while digital-based business adaptation aims to help MSMEs face increasingly complex economic changes. (Huwaida et al., 2023). Financing support is also provided to help MSMEs develop their businesses.

Apart from that, Bank Kalbar has also implemented various strategies to strengthen education and socio-economic development. These strategies include internal and external revitalization, network development, and collaboration with various related parties (Enggawati & Tanjungpura, 2023). Internal revitalization is carried out by strengthening management and human resources at Bank Kalbar, while external revitalization is carried out by strengthening relationships with customers and the community. Network development is carried out by opening new branch offices in potential areas, while collaboration is carried out with various related parties such as local governments, educational institutions and other financial institutions.

In the context of MSMEs in West Kalimantan, education plays an important role in developing the skills and knowledge of MSMEs in managing their businesses better. Technical training and education provided by Bank Kalbar and local governments can help MSMEs improve their skills and knowledge in managing business, as well as assist them in adapting to digital-based businesses. (Dharmayanti et al., 2022). In this case, Bank Kalbar has carried out various programs and strategies to strengthen education and socio-economic development in order to revitalize MSMEs in West Kalimantan.

Apart from that, MSMEs also have a strategic role in the Indonesian economy, and efforts to support their development continue to be made by the government and various related parties. In this case, Bank Kalbar as one of the financial institutions in West Kalimantan has carried out various programs and strategies to strengthen education and socio-economic development in order to revitalize MSMEs in the area. Overall, the revitalization of MSMEs in West Kalimantan is an important effort to improve the quality and competitiveness of MSMEs in the area. In this effort, education plays an important role in strengthening the skills and knowledge of MSMEs in managing their businesses better. Bank Kalbar as one of the financial institutions in West Kalimantan has carried out various programs and strategies to strengthen education and socio-economic development in order to revitalize MSMEs in the area.

Conclusion

The research results show that Bank Kalbar has implemented various programs and strategies to strengthen education and socio-economic development in order to revitalize MSMEs in West Kalimantan. These programs include technical training, digital-based business adaptation, and financing support. Apart from that, Bank Kalbar has also implemented various strategies to strengthen education and socio-economic development, such as internal and external revitalization, network development, and collaboration with various related parties. provides opportunities to improve family welfare in West Kalimantan, especially for people who live around MSME locations such as housewives.

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Conflicts of Interest

The authors declare no conflict of interest.

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