

THE ANALYSIS OF THE WORKING CAPITAL LOAN (WCL) IN MANUFACTURING SECTORS IN BANTEN PROVINCE

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Abstract: The manufacturing sector is one of the economic sectors that plays a crucial role in economic development in Banten Province. This study aims to identify the impacts of the People's Business Credit (KUR) Program on the manufacturing sector in Banten Province. The methodology used in this study is input-output analysis to determine how the KUR Program may influence the economic sectors, especially the manufacturing sector in Banten Province. The study uses the input-output table released by the Statistics Bureau at the regional level. In Banten Province, there are five sectors with the highest value of KUR. These sectors are Wholesale and Retail Trade, Accommodation and Food Service Activities, Other Service Activities, manufacturing, and Real Estate Activities. The result suggests that the KUR Program may have a good influence on the flourishing of manufacturing sectors in Banten Province. The KUR Program may have the most significant impact on the manufacturing sector when the KUR Program is distributed to the manufacturing sector itself. However, the allocation of the KUR Program to other economic sectors, especially Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycles, Accommodation and Food Service Activities, and Other Service Activities, may also have significant effects on the manufacturing sector. It may indicate that the KUR Program strategy in Banten Province may be suitable to develop the manufacturing sector in Banten Province.

Keywords: *Input-Output Analysis, the KUR Program, Manufacturing*

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1. Introduction

People's Business Credit (KUR) Program is a government program, to enhance the financial access for the micro, small, and medium-scale businesses distributed through the financial bodies by financial bond scheme (**Coordinating Ministry for Economic Affairs, 2023**). This Program was initiated by the Indonesian government in 2007 as a response to Presidential Decree Number 6 Year 2007 which mandated to equalize the distribution of financial credit to the society. The program is categorized as an intervention that supports poverty alleviation by empowering Micro, Small, and Medium Enterprises and Cooperatives (UMKMK). The objective of this program is to enhance access to funds and other resources access for UMKMK, that hampered by the capacity to fulfill the conditions required by banking.

Based on the data released by the Coordinator Ministry of Economics in Indonesia, at the national level, the KUR Program shows an increase in KUR value in the period 2007-2020. In

2007, the KUR value was Rp0,98 billion in 2007 to Rp198,53 billion. Based on the economic sector, there are the four sectors that have the largest proportion of the KUR Program allocation sectors (63,85 percent), Agriculture, Forestry, and Fishing (20,12 percent), Other Service Activities (8,81 percent), and Manufacturing (4,38 percent). From a regional perspective, the four provinces with the highest value of the KUR Program are Central Java (Rp1,6 billion), East Java (Rp1,32 billion), West Java (Rp1,01 billion), and South Sulawesi (0,49 billion).

The KUR Program may contribute to a higher economic performance in Indonesia. According to the Ministry of the State Secretariat (2022), in the third quarter of 2022, the contribution of the KUR Program to economic development was about 5.72 percent. Compared to bank credit, the total outstanding KUR achieved 25.2 percent, which is higher than the growth of bank credit, which is 11.01 percent.

On the other hand, from an economic sector perspective, it is the manufacturing sector which has a vital role in Indonesia's economic development. Its contribution to the total value-added can prove it. The World Bank (2022) suggests the manufacturing industry contributed 241.872 million USD of value-added to Indonesia's GDP, higher than all ASEAN countries. Furthermore, the manufacturing sector contributed 18,00 percent of total value-added in Indonesia and made it the biggest contributor to GDP.

Moreover, according to the long-term national development plan 2025-2045, the target of the contribution of manufacturing GDP in 2045 is 28 percent in national scope (**Bappenas, 2023**). Therefore, it is important to set strategies to achieve this national goal. To achieve the target of the contribution of manufacturing GDP, it will require support from both central and local governments. Therefore, from the local government perspective, it is important to set a strategy to achieve the target related to the manufacturing sectors. From an economic sector perspective, the three sectors with the highest value of KUR are Wholesale and Retail Trade, Agriculture, Forestry and Fishing, and manufacturing. One of the strategies that can be applied is determining the KUR allocation to which sectors, have high impacts on manufacturing sectors.

In Banten Province, there are five economic sectors, which have the largest value of the KUR Program, which are Wholesale and Retail Trade: Repair of Motor Vehicles and motorcycles, Accommodation and Food Service Activities, Other Service Activities, manufacturing, and Real Estate Activities (**BPS, 2022**). In terms of manufacturing performance, there is an increase in manufacturing performance in Banten Province. according to **BPS (2019)**, the production of the manufacturing sector in Banten Province shows an increase from Rp102 million in 2010 to Rp203 million in 2019. Masruri (2023) suggests that during 2010-2019, the big and middle industries show significant growth. The sector with the highest growth is the chemical industry which has the largest contribution to the manufacturing sector in Banten Province. The performance of this manufacturing industry is determined by the investment, the banking financial, and the big and middle industries.

Furthermore, some empirical studies show that there is a positive relationship between the KUR Program and manufacturing production. Jaya (2018) suggests that the KUR Program has significant impacts on the production values of manufacturing sectors in Metro City. The more KUR value given to the UMKM manufacturing industries in Metro City, the higher the performance of production value. Moreover, Sudrajat & Sulistyowati (2018) suggest that KUR has a significant contribution on the sustainability profit of Ngawi Regency.

However, there are some challenges in the KUR Program implementation. The communication and coordination between the local government and the KUR bank so that the KUR allocation will be fit for society (Damayanti & Adam, 2015.). The problems occur in the

implementation of the KUR Program. The last one, the local government should upload the potential debtor into the SIKP application.

Next, the paper will be structured into several parts. First, it will present the literature review regarding the KUR Program and Manufacturing Sectors both at the national and Banten province level, Second, it will explain the data and methods used in this paper. Finally, it will present the analysis results and discussion of the paper.

2. Research Method

The research object of this study is the KUR Program in Banten Province. The data were obtained from the Central Bureau of Statistics from 2011 to 2018 in Banten province in Indonesia. The methodology used in this study is the Input-Output Model.

The input-output model is a model that is useful for economic effects analysis with static characteristics, using the existing input-output tables. The model presents sectors' transaction required to result in the output of certain sectors (**Hendranata et. Al, 2004**). If X is the vector of output with values at $n \times 1$, F is the final demand vector with values at $n \times 1$, Y is a matrix of value added vector, with values at $n \times 1$ and $A = \frac{X_{ij}}{\sum X_{ij}}$ is the matrix of technical coefficient with values at $n \times n$, then:

$$X = ((I - A)^{-1} F \text{ and}$$

$$Y = VX$$

In which

V = diagonal matrix which has values at $n \times n$ and contains $1 - \sum a_{ij} \text{ } j=1,2,\dots,n$
 On the main diagonal, whereas the others are zero.

The final demand vector (F) is an exogenous variable and the labor size is derived from:

$$L = \Lambda X$$

Where Λ presents a diagonal matrix that has values at $n \times n$ as the labor-to-output ratio

At the regional level, the input-output model presents the products and services movement among industries in a regional economy. Previously, the input-output model was applied only at the national level (Van Leeuwen, et.al, 2005). However, there was an increasing interest in economic analysis at the regional level, and thus the input-output tables at the regional level were formed. These tables present the impacts of certain shocks on the region, other regions, and on the national level.

Input-output analysis is a quantitative methodology in the economic area. This model is categorized as the method to assess the impacts and to identify both direct and indirect effects of a shock on an economic system. Initially, the analysis of the input-output model is derived from the idea that the output will need certain inputs. The input may be in the form of raw materials and services from other industries, labor from households, and amenities from the government. The output refers to products and services.

3. Results and Discussion

3.1. Results

Input Output Analysis of the KUR Program of Banten Province

In Banten Province, there are five sectors with the largest value of KUR consisting of Wholesale and Retail Trade: Repair of Motor Vehicles and motorcycles, Accommodation and

Food Service Activities, Other Service Activities, manufacturing, and Real Estate Activities.

A. Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycles

The Wholesale and Retail Trade: The repair of Motor Vehicles and Motorcycle sector has the largest value of the KUR value in Banten Province, which is Rp2.005.983.694.122.

Intermediate Inputs

The KUR value for The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector in Banten Province is determined by Intermediate inputs of other sectors. Ten sectors with the highest value of intermediate inputs resulting in the additional KUR shocks on The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector are in Table 1.

Among 10 sectors, the biggest sector forming the KUR value in The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector in Banten Province is the manufacturing industry sector, which is Rp3,298,536.13 (11.98 per cent).

Table 1. Intermediate Inputs
The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle Sector

No.	Province_Sector	Intermediate Inputs	%
1	Banten/Manufacturing	3,298,536.13	11.98
2	Banten/Transportation and Storage	2,805,770.52	10.19
3	Banten/ Financial and Insurance Activities	2,770,364.08	10.06
4	Banten/ Information and Communication	1,958,449.00	7.11
5	Banten/ Construction	1,908,953.87	6.93
6	Banten/Real Estate Activities Activities	1,685,368.45	6.12
7	Banten/ Business Activities	1,539,809.68	5.59
8	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	1,057,839.81	3.84
9	DKI Jakarta/ Financial and Insurance Activities	723,268.65	2.63
10	Banten/ Electricity and Gas	716,067.65	2.60

Intermediate Outputs

The KUR value of The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector in Banten Province has a contribution to Intermediate Outputs of other sectors. Ten sectors with the biggest additional outputs because of the KUR shock on those sectors are presented in Table 2.

Among 10 sectors, the biggest sector influenced by the KUR value in The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector in Banten Province is the manufacturing industry sector, which is 15,264,635.19 (31.73 per cent).

Table 2. Intermediate Outputs Banten
The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle Sector

No.	Province/Sector	Intermediate Output	%
1	Banten/ Manufacturing	15,264,635.19	31.73
2	Banten/ Transportation and Storage	7,569,443.37	15.73

3	Banten/ Construction	4,742,654.98	9.86
4	West Java/ Manufacturing	2,069,773.89	4.30
5	Banten/ Accommodation and Food Service Activities	1,930,506.35	4.01
6	Banten/ Electricity and Gas	1,114,058.07	2.32
7	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	1,057,839.81	2.20
8	East Java/ Manufacturing	876,624.12	1.82
9	North Sumatera/ Manufacturing	605,813.91	1.26
10	Banten/Agriculture, Forestry, and Fishing	508,577.38	1.06

B. Accommodation and Food Service Activities Sector

The accommodation and Food Service Activities Sector is the sector that has the second largest KUR Program allocation by Rp 346,227,674,274.

Intermediate Inputs

The KUR value in the Accommodation and Food Service Activities Sector is influenced by other sectors' input. Ten sectors with the highest value of intermediate inputs resulting in the additional KUR shocks on the Accommodation and Food Service Activities Sector are in Table 3.

**Table 3. Intermediate Inputs
Accommodation and Food Service Activities Sector**

No.	Province/Sector	Intermediate Inputs	%
1	Banten/Manufacturing	6,583,091.91	27.19
2	Banten/ Agriculture, Forestry, and Fishing	2,129,964.73	8.80
3	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	1,930,506.35	7.97
4	South Sulawesi/Manufacturing	1,716,048.13	7.09
5	Lampung/Agriculture, Forestry, and Fishing	1,365,012.72	5.64
6	East Java/Manufacturing	817,531.47	3.38
7	Banten/ Transportation and Storage	595,573.47	2.46
8	South Sulawesi/Agriculture, Forestry, and Fishing	595,137.00	2.46
9	West Java/ Agriculture, Forestry, and Fishing	575,557.52	2.38
10	Lampung/Manufacturing	383,143.28	1.58

The table presents that the sector which contributes to form the KUR value for the Accommodation and Food Service Activities Sector in Banten Province is the manufacturing industries sector by Rp6,583,091.91 (27,19 percent).

The manufacturing sector in some other provinces may also give input for the Accommodation and Food Service Activities Sector. The manufacturing sector in South Sulawesi contributes to the KUR value by Rp1,716,048.13 (7.09%). In East Java Province, the manufacturing sector contributes to the KUR value by Rp817,531.47 (3.38 percent). Last, the manufacturing sector in Lampung Province contributes to KUR value by Rp383,143.28 (1.58 percent).

Intermediate Outputs

The KUR value of the Accommodation and Food Service Activities Sector in Banten Province has contributed to the intermediate outputs in other sectors. Ten sectors with the biggest additional outputs because of the KUR shock those sectors is presented in Table 4.

Based on the table, the KUR value of the Accommodation and Food Service Activities Sector has contributed to the intermediate outputs in some other sectors in Banten Province. This sector may contribute to the manufacturing sectors in Banten Province by Rp769,102.18 (13.59% percent), which is the second largest after the transportation and storage sector.

**Table 4. Intermediate Outputs Banten
Accommodation and Food Service Activities Sector**

No.	Province/Sector	Intermediate Output	%
1	Banten/ Transportation and Storage	2,253,226.36	39.83
2	Banten/Manufacturing	769,102.18	13.59
3	Banten/Construction	494,552.41	8.74
4	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	466,547.62	8.25
5	Banten/ Public Administration and Defence, Compulsory Social Security	411,096.28	7.27
6	Banten/Education	177,302.80	3.13
7	Banten/ Business Activities	118,135.94	2.09
8	Banten/ Human Health and Social Work Activities	89,459.72	1.58
9	Banten/Information and Communication	67,314.60	1.19
10	Banten/ Other Service Activities	41,998.52	0.74

C. Other Service Activities

Other Service Activities Sector is the sector which is the third largest sector in the KUR value, by Rp250,235,065,295.

Intermediate Inputs

The KUR value in the Other Service Activities Sector is influenced by other sectors' input. Ten sectors with the highest value of intermediate inputs resulting in the additional KUR shocks on the Accommodation and Food Service Activities Sector are in Table 5.

**Table 5. Intermediate Inputs
Other Service Activities Sector**

No.	Province/Sector	Intermediate Inputs	%
1	Banten/Manufacturing	704,198.70	16.33
2	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	234,220.83	5.43
3	Banten/ Information and Communication	223,665.92	5.19
4	Banten/ Other Service Activities	151,265.23	3.51
5	Banten/ Business Activities	129,494.91	3.00
6	Banten/ Financial and Insurance Activities	121,976.13	2.83
7	Banten/ Transportation and Storage	119,679.84	2.77

8	Banten/Real Estate Activities Activities	99,469.40	2.31
9	East Java/Manufacturing	88,274.57	2.05
10	Banten/ Electricity and Gas	75,557.07	1.75

Based on Table 5, the sector that has the largest impact on the KUR value of the Other Service Activities Sector in Banten Province is the Manufacturing sector in Banten Province by Rp704,198.70 (16.33%). The manufacturing sector of East Java Province also contributes to the KUR value of the Other Service Activities Sector in Banten Province, by Rp88,274.57 (2.05% percent).

Intermediate Outputs

KUR value of the Other Service Activities Sector in Banten Province may have an impact on the Intermediate Outputs of other economic sectors. Ten sectors with the highest value of intermediate inputs resulting in the additional outputs resulted from KUR allocation of the Other Service Activities Sector in Table 6.

**Table 4. Intermediate Outputs
Other Service Activities Sector**

No.	Province/Sector	Intermediate Output	%
1	Banten/Manufacturing	1,317,925.37	38.76
2	Banten/ Transportation and Storage	402,044.92	11.82
3	Banten/ Information and Communication	348,808.07	10.26
4	Banten/ Accommodation and Food Service Activities	198,485.91	5.84
5	Banten/ Business Activities	174,431.03	5.13
6	Banten/ Other Service Activities	151,265.23	4.45
7	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	141,884.31	4.17
8	Banten/ Construction	101,859.18	3.00
9	Banten/Education	64,902.95	1.91
10	Banten/ Water, Sewage, and Waste Management	63,491.38	1.87

Based on Table 6, the sector with the highest impact from the KUR value of the Other Service Activities Sector in Banten Province is the manufacturing sector, by Rp1,317,925.37 (38.76% percent). The 10 sectors with the largest impacts from the Other Service Activities Sector are in Banten Province.

D. Manufacturing Sector

The sector with the fourth highest value in Banten Province is the Manufacturing Sector, with Rp152,999,657,514.

Intermediate Inputs

The KUR value in the manufacturing sector of Banten Province is influenced by the intermediate input of other sectors. The sectors with the largest intermediate input which result in the additional KUR shock are presented in Table 7.

**Table 5. Intermediate Inputs
Manufacturing Sector**

No.	Province/Sector	Intermediate Inputs	%
1	Banten/ Manufacturing	53,620,635.57	21.55
2	Banten/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	15,264,635.19	6.14
3	Banten/ Agriculture, Forestry, and Fishing	12,001,436.55	4.82
4	Banten/ Transportation and Storage	8,210,636.72	3.30
5	Banten/ Electricity and Gas	7,040,697.51	2.83
6	East Java/ Manufacturing	5,870,681.81	2.36
7	West Java/ Manufacturing	3,516,148.82	1.41
8	East Java/ Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	3,040,145.83	1.22
9	Banten/Mining and Quarrying	3,038,836.21	1.22
10	Lampung/Agriculture, Forestry, and Fishing	2,881,221.95	1.16

Based on Table 7, the sector that forms the largest KUR value in the manufacturing sector in Banten Province is the Manufacturing Sector in Banten Province itself, by Rp53,620,635.57 (21.55% percent). The second highest sector, for the KUR value in Banten Province is Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector in Banten Province by Rp15,264,635.19 (6.14% percent).

Besides sectors in Banten Province, some sectors in other provinces are the input of the manufacturing sector. The manufacturing sector in East Java Province contributes to the KUR value of Rp5,870,681.81 (2.36% percent). Next, the Manufacturing sector of West Java Province contributes to the KUR value by Rp3,516,148.82 (1.41% percent). The Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle sector from East Java Province contributed to KUR value by Rp3,040,145.83 (1.22% percent). The Agriculture, Forestry, and Fishing of Lampung Province contribute to KUR value by Rp2,881,221.95 (1.16% percent).

Intermediate Outputs

The KUR value of the manufacturing sector in Banten Province has an impact on the intermediate output of other sectors. The sectors with the highest additional intermediate outputs because of the KUR shock respectively are presented in Table 8.

**Table 6. Intermediate Outputs
Manufacturing Sector**

No.	Province/Sector	Intermediate Output	%
1	Banten/Manufacturing	53,620,635.57	28.56
2	West Java/Manufacturing	20,927,770.86	11.15
3	Banten/Construction	15,223,366.01	8.11
4	Banten/Transportation and Storage	10,299,739.70	5.49
5	DKI Jakarta/Construction	6,821,898.78	3.63
6	Banten/Accommodation and Food Service Activities	6,583,091.91	3.51

7	East Java/Manufacturing	3,370,013.01	1.79
8	Banten/Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	3,298,536.13	1.76
9	West Java/Construction	3,063,058.39	1.63
10	Lampung/Manufacturing	2,849,475.27	1.52

Based on Table 8, the sector with the biggest impact from the KUR value of the manufacturing sector in Banten Province is the manufacturing sector in Banten province itself, by Rp53,620,635.57 (28.56% percent). The second sector with the largest impact from the KUR value of the manufacturing sector from Banten Province is the Manufacturing Sector in West Java Province, by Rp20,927,770.86 (11.15% percent).

Besides the sectors in Banten Province, there are some sectors from other provinces which are influenced by the manufacturing sector in Banten Province. The intermediate output in the Construction sector from DKI Jakarta Province has the largest impact from the manufacturing sector, which is Rp3,370,013.01 (1.79 percent). The Construction Sector is influenced by Rp3,063,058.39 (1.63 percent) and the Manufacturing sector from Lampung Province by Rp2,849,475.27 (1.52 percent).

E. Real Estate Activities Sector

The fifth sector with the largest value of KUR in Banten Province is Real Estate Activities, by Rp90,152,902,504.

Intermediate Inputs

The KUR value of the Real Estate Activities Sector in Banten Province is influenced by the intermediate input of other sectors. The ten sectors with the highest percentage of intermediate inputs which result in the additional KUR shock respectively are presented in Table 9.

**Table 7. Intermediate Inputs
Real Estate Activities Sector**

No.	Province/Sector	Intermediate Inputs	%
1	Banten/Construction	7,648,533.44	48.70
2	Banten/Public Administration and Defence, Compulsory Social Security	1,779,102.99	11.33
3	Banten/Transportation and Storage	969,314.28	6.17
4	DKI Jakarta/Public Administration and Defence, Compulsory Social Security	595,044.50	3.79
5	DKI Jakarta/Construction	524,602.56	3.34
6	Banten/Real Estate Activities Activities	522,463.59	3.33
7	Banten/Financial and Insurance Activities	497,755.42	3.17
8	Banten/Manufacturing	432,657.35	2.75
9	Banten/Business Activities	419,322.78	2.67
10	Banten/Information and Communication	407,370.11	2.59

In Table 9, the sector, which forms the largest KUR value on Real Estate Sector Activities in Banten Province is the Construction Sector of Banten Province, Rp7,648,533.44 (48.70% percent). In another province, it is the Accommodation and Food Service Activities Sector,

which contributes to KUR value by Rp595,044.50 (3.79 percent).

Intermediate Outputs

The KUR value on the Real Estate Activities sector in Banten Province has impacted the intermediate outputs of other sectors. The ten sectors with the largest additional percentage because of the presence of KUR shock respectively are shown in Table 10.

**Table 8. Intermediate Outputs
Real Estate Activities**

No.	Wilayah_Sektor	Output Antara	%
1	Banten/Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	1,685,368.45	13.80
2	North Sumatera/Real Estate Activities	619,411.12	5.07
3	North Sumatera/Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	583,713.00	4.78
4	East Java/Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	528,253.96	4.33
5	Banten/Real Estate Activities	522,463.59	4.28
6	Banten/Manufacturing	506,422.77	4.15
7	Banten/Education	464,776.32	3.81
8	Banten/Business Activities	272,830.33	2.23
9	North Sumatera/Manufacturing	255,388.87	2.09
10	West Java/Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	253,023.02	2.07

In Table 10, the sector receiving the largest impact by KUR value from the Real Estate Activities Sector in Banten Province is Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycles of Banten Province, by Rp1,685,368.45 (13.80%). While the intermediate Output of the manufacturing sector in North Sumatra Province receives impacts by Rp255,388.87 (2.09 percent).

Total Impacts

According to Table 1, the additional KUR in Banten Province will impact the manufacturing sector by Rp357,379.84 million, higher by 0,08 percent. This change value is relatively small, and therefore it is important to identify obstacles in optimizing the impacts of the KUR Program on the manufacturing sectors.

Table 11. The Total Impacts of Additional KUR in Banten Province

No	Regional	Sectors	Total Impacts	% Changes
1	Banten	Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle	4,089,046.79	4.22
2	Banten	Accommodation and Food Service Activities	725,214.83	1.65
3	Banten	Other Service Activities	568,999.57	4.51

4	Banten	Manufacturing	357,379.84	0.08
5	Banten	Financial and Insurance Activities	338,072.89	1.67
6	Banten	Business Activities	252,267.20	1.35
7	Banten	Real Estate Activities Activities	243,159.74	0.39
8	Banten	Agriculture, Forestry, and Fishing	180,720.85	0.60
9	Banten	Information and Communication	172,293.43	0.51
10	Banten	Mining and Quarrying	129,467.17	1.78
11	Banten	Water, Sewage, and Waste Management	99,059.37	5.66
12	Banten	Construction	98,680.73	0.09
13	Banten	Transportation and Storage	97,474.20	0.05
14	Banten	Electricity and Gas	75,649.10	0.10
15	Banten	Human Health and Social Work Activities	48,852.39	0.45
16	Banten	Public Administration and Defence, Compulsory Social Security	32,874.88	0.20
17	Banten	Education	22,913.16	0.10

3.2. Discussion

Based on the results above, several sectors significantly impact intermediate inputs or intermediate outputs related to the KUR program sector, which will be discussed below.

Manufacturing Industry Sector

The Manufacturing Industry Sector in Banten Province is a very important sector in its relationship with other sectors, especially those that KUR Program because it has the most significant impact on input and output compared to other sectors. In the intermediate input process, the Manufacturing Industry Sector is closely related to the intermediate goods needed by other sectors. This can be seen in the first order of input values between those in the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle, Accommodation and Food and Drink Provision Sector, Other Services Sector, and the Manufacturing Industry Sector itself.

In the intermediate output process, the Manufacturing Industry Sector is also closely related to the demand for goods and services (parts) needed by other sectors i.e. Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle. This can be seen in the first or second order output values between those in the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle, Accommodation and Food and Drink Provision Sector, Other Services Sector, and the Processing Industry Sector itself. In fact, the Manufacturing Industry sector also has a very strong influence, namely being in second place in output value among the Manufacturing Industry Sector in West Java Province.

1. Transportation and Warehousing Sector

Apart from the Manufacturing Industry Sector, the Transportation and Warehousing Sector also has important relationships with other sectors that receive KUR. The Transportation and Warehousing Sector has an important relationship because it has a significant impact on input and output between the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle, Accommodation and Food and Drink Provision Sector, Other Services Sector, and Manufacturing Industry Sector. The input process between the Transportation and Warehousing sectors expedites and facilitates economic activities in the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle. The goods that are bought and sold depend very much on the transportation and warehousing used to send the goods from the manufacturer

to the trader. Likewise, the services provided by traders will depend greatly on the transportation used.

In the intermediate output process, Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle will increase demand for transportation of goods and services, as well as warehousing for storing merchandise stock. In the Accommodation and Food and Drink Provision Sector, transportation is closely related to the mobilization of providing accommodation and food and drink, while warehousing is closely related to storing food and drink stocks. In the Real Estate Sector, output between transportation and warehousing is also affected because real estate businesses are definitely related to providing adequate transportation.

2. Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle Sector

As the sector with the highest KUR revenue in the Banten region, the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle also appears to have strong relationships with several other KUR recipient sectors. In the intermediate input process, the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle appears to be quite significant in supporting activities in the Accommodation and Food and Drink Provision Sector, other Services Sector, and the Processing Industry Sector. These sectors require the availability of the required merchandise both in wholesale and retail form. Apart from that, car and motorbike repairs also ensure support for smooth vehicle utilities in these sectors.

In the intermediate output process, the provision of accommodation and food and drink will increase demand for large-scale and retail trading activities, as well as vehicle repairs. In the Real Estate Sector, output between the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle are also affected because the real estate business will definitely increase economic activity in wholesale and retail trade and increase mobilization which will have the effect of increasing demand for vehicle repairs.

3. Construction Sector

The Construction sector can be seen as quite important because it has the highest intermediate input value in the Real Estate sector and quite large intermediate output value from the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle, Accommodation and Food and Drink Provision Sector, Manufacturing Industry Sector. Construction is needed and has a major role in the development of real estate areas, so it is among the highest input values.

4. Impact Calculation

Based on the 17 Regions/Sectors that have the greatest impact, all are in Banten Province, with the Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycle received the largest impact, amounting to 4,089,046.79. The next sector that received the second largest impact was the provision of accommodation and food and drink with a total impact of 725,214.83.

Overall

The result shows that in general, the KUR Program may have positive impacts on manufacturing sectors in Banten Province. When the KUR is allocated to the manufacturing sectors, it will then enhance the financial access, therefore enhancing the output of manufacturing sectors in Banten Province. The KUR Program on manufacturing sectors in

Banten may also encourage the flourishing of other sectors in terms of giving inputs to the manufacturing sectors.

On the other hand, the KUR Program given to the other four sectors with the largest value of KUR consists of Wholesale and Retail Trade: Repair of Motor Vehicles and motorcycles, Accommodation and Food Service Activities, Other Service Activities, and Real Estate Activities, it will also encourage the higher input and output in manufacturing sectors.

4. Conclusion

The paper has explored the effects of the KUR Program on the performance of manufacturing sectors in Banten Province. The study uses the input-output model using the input-output table from the Statistics Bureau. The KUR Program is assumed to have a positive relationship with the manufacturing sector's performance as it can open financial access for the industries.

Based on analysis, the KUR Program may have positive impacts on the manufacturing sector. In Banten Province, the allocation of the KUR Program to other sectors particularly Wholesale and Retail Trade: Repair of Motor Vehicles and motorcycles, Accommodation and Food Service Activities, and Other Service Activities may also have the biggest effect on the manufacturing sector. However, the allocation of the KUR Program to the manufacturing sector, which is the fourth sector with the largest value of KUR, gives the highest contribution to the intermediate inputs and outputs in the manufacturing sectors. Therefore, this may indicate that the KUR Program strategy in Banten Province may be already fit to flourish the manufacturing sector in Banten Province, but the allocation for the manufacturing sector should be maintained or enhanced.

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