

## **PUBLIC-PRIVATE PARTNERSHIP: LEARNING FROM THE DEVELOPMENT OF JOGJA AGRO TECHNO PARK**

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### **ABSTRACT**

*Public-Private Partnerships (PPP) are often seen as an ideal scheme for infrastructure provision when the government is hampered by human and financial resources. Therefore, the government can involve the private sector in playing a role in the successful implementation of infrastructure. This article aims to identify the readiness factors using a public-private partnership in the development of Jogja Agro Techno Park (JATP) as a priority development acceleration program in the Special Region of Yogyakarta. Furthermore, this research uses a descriptive method with qualitative approach thought interviews and literature. More importantly, data findings analysis using NVivo12 plus software. The result of this research indicated that the dominant variable comes the local government commitment aspects and institutional coordination. It is related to the DIY government that has strong institutional level support and its commitment to sustainability in the development of the JATP priority program. Besides, the high percentage indicators come from coordination with the private sector and the availability of a particular institution. Moreover, other factors found in several aspects of human resources competence and also financial capacity do not become play an essential role from the DIY government in readiness for a PPP scheme in JATP development. It is because the competency and financial capability have managed by the Team for Acceleration of Implementation in the DIY development priority programs (TP5D) in which coordinated based on their duties and functions respective.*

**Keywords:** *Readiness, Public Private Partnership*

## INTRODUCTION

In the current era, the public-private partnership (PPP) scheme is a standard concept that is regarded as one of the best ways to overcome quite complex problems faced by the government in the provision of necessary infrastructure (Puspawati, 2016, p. 46; Putri & Wirahadikusumah, 2019, p. 1; Wojewnik-Filipkowska & Węgrzyn, 2019, p. 8). Therefore, the significance of use this PPP scheme a new alternative by government to fill the limitations of its resources generally, such as limited ability of the financial resources (Aranda-Usón, Portillo-Tarragona, Marín-Vinuesa, & Scarpellini, 2019, p. 5; Farzana, 2019, p. 36; Fitriyah, 2016, p. 1; Toyib & Nugroho, 2018, p. 3), and limited human resources capabilities (Robert & Chan, 2018, p. 181; Uji, 2016, p. 170).

Furthermore, this scheme contributes to urging private sectors to take part in every development process, such as management and risk-sharing controls (Lai, 2018, p. 252; Yuanzhi & Guan, 2017, p. 8). Therefore, the involvement of private sector in the development agenda is allowing as the most urgent and absolute thing for the government to be able to embrace them in the provision of public infrastructure (Toyib & Nugroho, 2018). Moreover, contribution and participation of private sector can see as a form of their responsibility in development (Robert & Chan, 2018; Uji, 2016, p. 179; Xiong, Zhao, Yuan, & Luo, 2017). So that the private sector is considered capable of providing a positive contribution to performance efficiency management and high-level professionalism in the implementation of infrastructure development optimally (Opawole & Jagboro, 2017, p. 52; Rifai, 2016).

Implementation of infrastructure development is allowed to continue to show a very significant and massive leap every year. Based on Indonesian project budget data that in 2015-2019 there was an increase in development investment than the 2009-2014 period (Rifai, 2016, p. 52; Talomau, 2018, p. 74). At least the government is determined to buy up infrastructure project with an investment value of IDR5,519 trillion. However, the government is only able to allocate IDR2,215 trillion, and this shows a budget shortfall (gap) of IDR3,304 trillion or 59.86% of total investment (Hartati et al., 2016, p. 9). Therefore, this is a severe challenge for the government in dealing with any high funding, so that the public-private partnership (PPP) scheme is a solution to overcome the lack of financing for infrastructure development. (Fauzela, Sutiyoso, & Putra, 2019, p. 88; Kolesnikov, Pavlyuk, Radachinsky, & Rodionova, 2018, p. 197). However, infrastructure development is one of the vital sectors in the process of achieving equity and very high economic growth (Lestari & Suhadak, 2019, p. 99). Therefore, the presence of good infrastructure will have an impact on increasing the productivity of people who are capable of competitiveness (Wibowo, 2016, p. 1).

Using of PPP in Indonesia is mostly found at the regional level, which the Special Region of Yogyakarta as one of them. This province is one of the intensively involved provinces in accelerating infrastructure development program, where one of the

strategies to increase its financial development capacity is through public-private partnership (PPP). Based on the result of the thematic forum presentation of development priorities acceleration in Special Region of Yogyakarta in 2018, there is at least some infrastructure project that uses PPP scheme. Specifically, this article needs to focus the empirical studies on Jogja Agro Techno Park (JATP) development program.

Jogja Agro Techno Park (JATP) is one of the mega projects included in the list of accelerating infrastructure development programs in Special Region of Yogyakarta in the 2017-2022 period. As a priority project initiated by using PPP scheme, JATP is intending to be an integrated complex developed as an alternative to agriculture-based education tourism sector, which characterizes DIY province which is known as an education and tourism area. Therefore, our research tries to adopt the study by Talomau (2018) about the factors that influence the preparation of public-private partnerships. So, specifically, this article needs a mapping framework as an empirical study flow. More importantly, the mapping of preparation of a PPP scheme such as; aspects of local government commitment, institutional coordination, and human resource competence, as well as fiscal conditions.

Furthermore, it provides space for this research to find out more about the phenomena and problems that occur in PPP readiness at the local government level. Therefore, the urgency of this research is higher. In the end, this research tries to see to what extent factors affecting readiness using public-private partnerships in the development of Jogja Agro Techno Park in Special Region of Yogyakarta.

## **LITERATURE REVIEW**

### **Public-Private Partnership (PPP) Project- A Reviews of Concepts and Barriers**

Public-private partnership (PPP) is an institutional arrangement for the agency between the government and the private sector (Wang, Xiong, Wu, & Zhu, 2018). Furthermore, this partnership has several types, such as partnerships for policy, partnerships for public services, partnerships for capacity development, partnerships for economic development and partnerships for infrastructure development (Roman, 2015). Therefore, in Delmon (2017) public-private partnership are considered to provide significant benefits such as efficiency, solutions for all assets, transparency, anti-corruption, technology, innovation and also knowledge, as well as new financial sources.

Moreover, the benefits of Public-Private Partnership (PPP) will ultimately have positive implications for the community. So that the emergency of PPP schemes is stated by Kolesnikov et al., (2018) show that PPP is an embodiment of public interest. Besides, in realizing partnership, PPP must can produce positive effects on society. However, in implementing this PPP scheme, there are times when they fail due to the inability and unpreparedness of government in implementing the PPP scheme.

A few past studied reveal factors that can influence failures of public-private partnership schemes. Namely, first, the reasons for inadequate regulatory framework and weakness in implement PPP activities, such as overlapping policies that are both interrelated, so that the law enforcement become weak (Kang, Mulaphong, Hwang, & Chang, 2019). Secondly, weakness inability of the institution (human resources) to design PPP strategies (Quelin, Cabral, Lazzarini, & Kivleniece, 2019). Third, the profound realization of estimated revenue and financing in PPP, so that the lack of project auction and incompetent promotions such as direct appointment without going through the selection stage (Takano, 2017).

Based on the previous literature, the involvement of government and private sectors through PPP in infrastructure development is believing to originate from several reasons, such as; the problem of budgetary resources is the main reason for the government to partner with the private sector (Aranda-Usón et al., 2019; Farzana, 2019; Fitriyah, 2016; Rifai, 2016). Besides reliable human resources, because it is the view that private sector has a high professionalism implementation compared to the government sector in infrastructure development so that the support and commitment of two sectors is very influential in the process of development implementation (Farzana, 2019; Hansen & Rostiyanti, 2017; Osei-Kyei, Chan, De-Graft, Atafo, & Ameyaw, 2019; Robert & Chan, 2018; Uji, 2016).

### **Readiness Factors for PPP: An Ideal Scheme for Infrastructure Provision**

Public-Private Partnerships are an ideal scheme for infrastructure provision when human and financial resources hamper the government. Therefore, the government can involve the private sector in playing a role in the successful implementation of infrastructure. Based on the description of some literature on PPP, this research tries to focus on interpreting the mapping by Talomau (2018). There are several factors of readiness of concern to the government in developing PPP schemes that are collecting in four main aspects, namely : (a) Regional Government Commitments, (b) Institutional Coordination, (c) Human Resource Competencies, and (d) Regional Fiscal Conditions. Therefore, our research aims to look at the extent of the review of the readiness factor of public-private partnership schemes in the Jogja Agro Techno Park development program in Yogyakarta Special Region.

First, a commitment of local governments, this aspect seeks to provide insight related to public regulation about PPP scheme, which are essential factors that must be prepared by the government for the provision of public infrastructure. Therefore, the availability of legal/ regulatory instrument for the PPP program believes in influencing the successful development program. Furthermore, the compatibility between PPP policies and objectives can support program implementation. Government commitment can also assess when there are economic shocks and political uncertainty. Finally, the

government's support in implementing PPP is a determining factor in implementing development programs (Talomau, 2018).

Second, institutional coordination is a need for coordinating the implementation of the PPP scheme. Good coordination includes coordination with the central government, regional government, private sectors, financial institution. Also, in coordinating implementation, the role of community is critical when the PPP scheme requires a return on capital from the implementation. Furthermore, the availability of particular implementation institutions that function to manage PPP schemes more optimally (Talomau, 2018).

Therefore, third, the human resource competencies, the availability of human resources in implementing PPP schemes is crucial. In every process of implementing a development program that importance of human resources competencies is a significant aspect such as planning/preparation, law, communication and networking, administration and financial management, conflict management/risk management, as well as the field of operational cooperation (Talomau, 2018).

Fourth, fiscal conditions also have enormous implications in implementing public-private partnership schemes in development programs. This fiscal condition is seen as a benchmark of financial capacity in local government sector so that the government must prepare a budget in the process of implementing a PPP scheme including providing feasibility support and guarantees if this is needed. Meanwhile, the government financial capacity is one of the essential factors in the government's readiness to implement PPP (Talomau, 2018).

## **RESEARCH METHODS**

In particular, this article uses a qualitative approach. According to Anggito & Setiawan (2018) argue that qualitative approach is research that collects data on a natural setting with the intention of understanding and interpreting certain the phenomena as an attempt to gain enlightenment in certain situations that will interpret scientifically. Therefore, another view it is by Monique, et al. (2020) states that the qualitative research is to look for a contextual understanding of phenomena experienced by people, where researchers can interpret the meaning of their participation context in giving the view and experiences. In Rahman (2016), the reason for using a qualitative approach is to test language and previous literature. Also, Aspers & Corte (2019) qualitative research emphasizes the interpretation of the result of analysis in certain situations.

However, qualitative research is research that tries to explore the meaning of information from sources which are interpreting in a descriptive-narrative from based on perspective the researcher. The use of qualitative is very suitable to achieve more in-depth insights about designing, managing and interpreting, as well as easy to

understand. So this article can provide understanding related to the phenomenon of research object behaviour contextually about readiness factors using public-private partnership in the development of JATP in Special Region of Yogyakarta.

Moreover, data collection techniques of this research are using multi-method, which are allowed to combine several data such as interview and documentation (Anggito & Setiawan, 2018). Therefore, the location of this research at Regional Planning and Development Agency (Bappeda) in Special Region of Yogyakarta, especially the informants that we took to gather in-depth interview from a staff of Agriculture and Maritime Sub-Division in the Economic Affairs Division. It is as a government agency that considered to understand and play an essential role as a stakeholder on the government in readiness to implement public-private partnership schemes in Jogja Agro Techno Park (JATP) as an accelerated priority development program in Special Region of Yogyakarta.

Furthermore, the data analysis tool uses NVivo 12 plus software, referring to Elaine Welsh (2002) argue that NVivo software is relatively easy to use. So, it is possible to import documents directly from word processors easily on the screen, which where lines of code can be made and visible in margins of the document so a researcher can see at a glance which code has used. For the coding process in NVivo 12 plus, we try to enter the interview document into its software to analyze the amount of coding intensity during an interview. Then we try to analyze an essential part of the meaning of catch so we can interpret the result of interview and elaborate in from narratives that are confirmed or criticism from previous research phenomena. With considered to use NVivo 12 plus, the sign of our belief in using as a qualitative data analysis tool is very much needed.

## **RESULTS AND DISCUSSION**

### ***Who are the Stakeholders?***

Before we discuss the factors that influence the readiness of public and private partnerships (PPP) schemes in Jogja Agro Techno Park (JATP) development as a priority development acceleration program in the Special Region of Yogyakarta, that we are needs to known and understand, who is involved. The stakeholders involved in implementing the Jogja Agro Techno Park development program is using a public-private partnership scheme are as follows.

**Table 1. Stakeholders in Jogja Agro Techno Park (JATP) Development Program**

<b>Institutions From Government Stakeholders</b>		
Ministry of Planning and National Development		
DIY Regional Development Planning Agency (Unit Management Team Implementing The Priority Development Acceleration)		
Kulon Progo Regional Development Planning Agency		
<b>Institutions/ Agencies From Private Sectors and its Role and Type of Partnership</b>		
PT. Reka Desindo Mandiri	Compiler of project preparation documents	Service Management
PT. Gama Multi Usaha Mandiri	Compiler of EIA and TIA documents	Consultancy Services
PT. Ardi Tekindo Perkasa	Capital Expenditures Construction Procurement/ Purchase of JATP Buildings/ Project Contractor	Design-Build-Finance-Maintenance-Transfer (DBFMT)
Universitas Gadjah Mada	Preliminary Studies	Sharing Development Ideas
PT. Penjaminan Infrastruktur Indonesia	Facilitating FDG on PPP scheme preparation	Service Management
CV. Setiabudi Jaya Perkasa	Development of JATP Flower Park	Built and Transfer

Sources: Implied Several Sources from LPSE, News Online, Document

Table [1] above shows that there are stakeholders involved from several sectors as such as government and private sectors in the development of Jogja Agro Techno Park through PPP schemes, which are stakeholders play an essential role in supporting the success of a development. It is related to previous research statements by Fitriyah (2016).

There is a high level of intensity of encoding across for all demographic variable cases. Wherein, it is a high enough value in the indicator ‘Coordination with Private Sectors’ and also the indicator of ‘Availability for Special Institution of PPP’. Both of these indicators are believing to originate from the same variable, namely ‘Institutional Coordination’ which gets the results of matrix coding query of 10.99%.

The high value of the matrix above is believed to be the seriousness of the local government in providing strong institutions and able to manage the preparation of public and private partnerships. In the other hand, the existence of a low matrix intensity value of 3.3% on the indicator ‘Policy Compliance with PPP Objectives’. It is due to the lack of coding intensity that refers to an indicator. Besides, if observed from the results of coding data analysis manually, then there is a match between PPP regulations and

objectives. In brief, it is referring to President Regulation Number 38 of 2015 concerning Government Cooperation with Business Entities in the Provision of Infrastructure, which aims to improve public facilities and infrastructure, besides that it is also the responsibility of the private sector to get involved in regional development. The detailed analysis of the query coding rate matrix - rate (%) and the analysis of several variables and indicators are further discuss below as follows.

### **Local Government Commitment and Institution Coordination**

The commitment of the regional government also determines the success of the preparation of public-private partnerships (Talomau, 2018). It is have related to policy understanding, institutional support, and policy compliance with PPPs, as well as the availability of the law instruments and commitment to policy sustainability. As in this article, we obtain empirical evidence that this based on DIY's provincial government commitment in the preparation of the PPP in DIY's priority development acceleration program in Jogja Agro Techno Park has a coding intensity level of 28.57%.

In shortly, the implementation of the JATP development program believes to have a strong understanding of PPP policy from regulatory readiness, such as the President Regulation (Perpres) 38/2015, Minister Financial Regulation (Permenkeu) Number 260/PMK.08/ 2016, Minister Domestic Affair Regulation (Permendagri) 96/2016, Local Provincial Regulation of DIY Number 3/2018, and DIY Governor Decree 163/Kep/2017. Its regulation is designing to able successfully implement PPP schemes in a megaproject. In figure [2], the provincial government of Yogyakarta believes that it has understood the importance of regulations from the Central Government to local government levels that are influential in the implementation of PPP as shown by the percentage results in Crosstab Query of 16.00%. Furthermore, the government's commitment is related to sustainability of PPP policy which results in Crosstab Query with an intensity of 25.00%. It is the acceleration program for the development of DIY infrastructure priorities becomes the 2017-2022 Medium Term for Program Plan of DIY Provincial, which states that the JATP development is complete with a public-private partnership scheme.

The availability of legal guideline and regulatory tools is ts important. Based on Crosstab Query with a rate of 16.00%, the Commitment of DIY's government in the development of the JATP project has provided an ad-Hoch institution as the legal instrument 'the Team for Acceleration of Implementation in the DIY development priority programs (TP5D) which is works accurately to complete the process of implemented PPP. The regulation of PPP implementation in the project has also structured and systematic. Moreover, there are no overlapping regulations.

So that the appropriateness of policy to the objectives of PPP results in a level of intensity is 12.00% which is the conformity of the policy is in line with the objectives of the PPP, namely building efficient governance and a high level of professionalism in

implementing PPP. Also, the commitment of local government is high on the indicator of institutional support where the Crosstab Query has a coding intensity of 29.00%. Institution referred to is the involvement of stakeholders in implementing PPP which is in [figure 1] from Central government, DIY's provincial government and Kulonprogo Government Regency, as well as several private sectors/ universities have contributed to JATP infrastructure in DIY.

Based on several finding above, if associated with mapping conducted by Talomau (2018) about an aspect of the commitment of local government related to readiness using the PPP scheme. In this research indicates the conformity of the local government needs a strong about an understanding of the regulations and rules of PPP guidelines by Central government. It has been run by DIY Government, which is one of the crucial factors necessary for the readiness of PPP for JATP development pilot program. Moreover, understanding is also closely related to the reliable legal device. It refers to this research that the legal device in the preparation of PPP in the JATP development program has been controlled by a division that has authority, which is the agency ad-Hock of TP5D that has a Special legal institution to handle the preparation of PPP in the JATP development program. Furthermore, it has also findings in the field that the adjustment of local regulations to the continuity of PPP already exists that through a decree of DIY's Governor that explain the development program DIY using the PPP scheme, included JATP.

Furthermore, this has been following the PPP standard for preparation feasibility. Despite it, the suitability of PPP preparatory policy has been following the realization of local development objectives in DIY Province. Besides, it is related to institutional support that has been mapped by Talomau (2018) it was also confirmed in this research to have support from government and private stakeholders. They indeed participated in the success of PPP preparation.

While for institutional coordination, refers to this variable, according to Talomau (2018) is closely related to the management of the preparation of public-private partnership schemes. It is necessary which requires good partnership in building networks which will later be able to provide genuinely optimal benefits and have an impact on the feasibility of PPP program and be able to accommodate the interests of stakeholders. Based on empirical findings on the preparation of public and private partnerships in the JATP program. The results of coding Crosstab Query to Institutional Coordination variable shows the supply intensity of a percentage of 28.57% which is a view to having coordination and also communication and its relationship that exists between DIY's government with other stakeholders.

The application of Institutional Coordination in the Jogja Agro Techno Park (JATP) development program has at least good coordination between stakeholders. First, it refers to the coordination with the private sector that has Crosstab Query rate of 28.00%, that Institutional Coordination with The Private sector is carried out by the

DIY's provincial government in preparing the public and private partnership schemes facilitated by consultants from PT. Reka Desindo Mandiri which stakeholder has the duty to compiled PPP project documents and bring together with DIY's government and the prospective investor/ contractors to compile tender documents with a prospective investor. The coordination not only applies to the regional government and the private sector, but the implementation of public consultations includes in Institutional Coordination launched by the private sector as social connectivity, which on October 19th, 2019 a public consultation was held, attended by elements from the community and farmers. Therefore, the results of the meeting the community gave full support to the PPP project as long as it could provide welfare to the surrounding community in the construction of Jogja Agro Techno Park (JATP) which was fully funded by the central government namely Bappenas.

Furthermore, it is to coordination with the Central government (17.00%) and the Local government coordination (25.00%), in which is DIY's government has successfully carried out institutional coordination with the central government of Bappenas in coordinating the PPP documents. It has formed an ad-Hock to accelerate the implementation of regional priority projects named Team Project Management Unit in Jogja Agro Techno Park (JATP) development program, chaired by Ir. Rany Samsiarni, MT and also Prof. Dr. Tch Ir. Danang Parikesit, MSc (Eng). The availability of a PPP Special institution called the Project Management Unit Team has an intensity assessment of the results of the Crosstab Query coding of 28.00%.

Based on the findings above, its deemed to have conformity with what is explained by (Talomau, 2018), in which case it indicates that good institutional coordination guarantees the quality of PPP readiness. In this research, the DIY Government has coordination well and smoothly to the central Government and private sector. It also confirmed under the research Fitriyah (2016) that the presence of support of stakeholders other Government on provision of PPP can be as one of the factors in succeeding the preparation of PPP. Furthermore, it can accommodate interests of all sectors and the risk-sharing Talomau (2018) and more to transparency in the preparation of KPS for budgets (Delmon, 2017), so the implementation of PPP in the JATP development program can obtain better results and also to optimal management.

### **Human Resources Competencies and Fiscal Ability**

Human resource competency becomes an important aspect in the implementation of the PPP program, which is the ability of reliable human resources capable of implementing PPP program. Both in the field of planning and operational implementation of it, in the legal regulation division, communication division, and administrative division as well as financial management division (Talomau, 2018). Based on [table1], it believes that there is a lot of stakeholders involvement that aim to provide mapping and authority as well as duties and responsibilities for implementing

PPP preparations in the Jogja Agro Techno Park (JATP) development program. Based on the results of coding in the Crosstab Query shows the percentage intensity value of 23.81.

HR competencies in administration division and financial management division have intensity coding of 17.00%, meaning that the intensity of the informants in responding to this point is very less. However, we try to analyze it manually, which is reveals that the division of administrative management in the preparation of the JATP program believes to have managed well. In which Bappenas has implemented capacity building in the Team for Acceleration of Implementation in the DIY development priority programs, (TP5D) part of Project Management Unit Team organized by PPP scheme preparation. Therefore, competency of the private sector's HR is also considered good from PT. Reka Desindo Mandiri as a consultant for preparation of project preparation documents and other private stakeholders such as PT Gama Multi Usaha Mandiri as the private sector who compiled the Environmental Impact Analyst (EIA) and Traffic Impact Analysis (TIA) documents.

Furthermore, the result of Crosstab Query of 21.00% shown in the competence of human resources in a legal guideline, this undoubtedly references for every stakeholder in understanding the duties and functions in preparing PPP. Therefore, the ability has been prepared by the DIY government through an ad-Hock called the Team for Acceleration of Implementation in the DIY development priority programs (TP5D) shows that works correctly to complete the PPP process, especially in the legal part of the Team law. It also applies to the ability of human resources in the division of planning that has a Crosstab Query of 28.00%, with the help of TP5D the preparation of Jogja Agro Techno Park (JATP) development planning. Besides, the planning also involved stakeholders from the private sector such as Gajahmada University as the sectors that are preparing the preliminary study of JATP development project, the capability of HR in planning division is also precise were stakeholders. They played a role in making Masterplan and Detail Engineering Design have successfully compiled it in 2018 and are suitable for the preparation of the project development.

Moreover, in the Crosstab Query - Rate 17.00% in the ability of human resources in the division of communication/ networking, that in this division the DIY government has thoughtfully mapped out clear communication relations between the central, regional, implementation team, and private sector in the preparation of PPP. It can see [table1] which held following duties and functions of each stakeholder if there is an error in the communication division, TP5D together with Bappeda of DIY is responsible for the preparation of the PPP. It is also similar to the ability of human resources in the field of conflict management which has a Crosstab Query with a value of intensity percentage of 14.00%. JATP development has demonstrated the ability in conflict management which is indicated by the existence of institutions that play a role for conflict management, such as material loss conflicts caused by disaster or damage

caused by the negligence of the contractor, the risk is stored by both the DIY government and the private sector. Nevertheless, this risk has guaranteed by PT. Penjaminan Infrastruktur Indonesia.

Based on the above, there is harmony with what is exposed by Talomau (2018) that local government should be able to prepare HR competent and superior in providing PPP implementation. It is seen by research by Fitriyah (2016) that with the competence of HR, the local government can provide flexibility in division of tasks and responsibilities that are appropriate to the expertise of both the government and the private sectors. Furthermore, the existing of human resources competence can also control the conflict in providing the public-private partnership process (Talomau, 2018), as well as able to provide transparency and efficiency for the government in the supply of the public-private partnership (Delmon, 2017).

The ability of fiscal or financial resources is an important aspect that measures the success of preparation and implementation of the public and private partnerships (Talomau, 2018). This the results in alternative sources of funding the provision and implementation of PPP. Based on our findings, we believe that the polarization of financing capability that occurred in the DIY priority development acceleration program in the Jogja Agro Techno Park. Wherein, the result of Crosstab Query from the above variables stated the level of coding intensity was 19.05%, which of the financial capability of the DIY government was only for the cost of the auction process to find investors who have violated in 2020. Besides, to that in the process of Institutional Coordination between the DIY's government and the private sector funded by Bappenas because this development program included in the acceleration of the DIY infrastructure priority development program that receives the State Budget or APBN from Bappenas.

In addition, the presence of the private sector in PPP preparation is considered to benefit DIY's government which has a limited budget, then it has the main objective is to divert development that was initially funded using DIY APBD diverted using costs from the private party, which between the DIY government and the private sector as construction contractor the project is PT Ardi Tekindo Perkasa with the type of Design-Build-Finance-Maintenance-Transfer (DBFMT) which through this type of partnership the DIY government has contracted several private parties known as PT Ardi Tekindo Perkasa to design masterplan and detail engenging design to get approval from the DIY's government, then PT Ardi Tekindo Perkasa began building the Jogja Agro Techno Park (JATP) in accordance with specifications set by the DIY government by allocating funding with ceiling the value of IDR 45,608,764,000.00, subsequently, private sector it provides facility management services for the maintenance of Jogja Agro Techno Park (JATP) during the contract period that has been approved in PPP contract document between government of DIY and PT Ardi Tekindo Perkasa, the last of the results of maintenance has ended, then private sector transfers management of Jogja Agro Techno Park (JATP) to the DIY's government.

As findings above, it is concluded that the conformity with mapping results by Talomau (2018) and also several other studies (Fauzela et al., 2019; Fitriyah, 2016; Uji, 2016), that the PPP is present because there is a factor in the financial ability of local government. It certainly following findings in DIY government which relies on finances of several other sectors such as the government and private in readiness using PPP for JATP development then the ability of the government of DIY is only located on the preparation of the tender documents and budgets in the field of administration and its kind.

## **CONCUSSION**

This paper has examined the government's perspective on the readiness factors using the public-private partnership scheme. Therefore, the significance of our research focused on the readiness of PPP in the Jogja Agro Techno Park (JATP) development program in the Special Region of Yogyakarta by referring to 4 main components in PPP preparation, namely local government commitment, institutional coordination, human resource competence, and financial capability. These findings explain several implications; Firstly, the readiness to use a public-private partnership scheme in the Jogja Agro Techno Park (JATP) development program considered to have prepared optimally and appropriately. It is judged by the optimistic and robust commitment of the DIY government by presenting non-government stakeholders such as private parties and universities that can contribute to the provision of public services. Secondly, the readiness of the PPP in the development of the JATP considered having success in terms of coordinating institutions that it is running well between local government, central government, private sector, as well as the availability of Special institutions controlled by the Team for Acceleration of Implementation in the DIY development priority programs (TP5D), in which the formation of the ad-hock division can help run the preparation of PPP projects smoothly, which in turn, can result in greater efficiency and flexibility. More importantly, the presence of non-governmental parties based on the lack of human resources and financial capacity in providing strategic public service management in the government sector, such as in planning, administration and finance, conflict management and legal instruments, and risk-sharing. Finally, the readiness of the public-private partnership scheme in the development of JATP requires support not only from the government and the private sector but also by the community contributing to the provision of public services. Thus, these goals can achieve through the efforts of the government that can coordinate all partners to work and reap mutual benefits.

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