

## Strengthening MSMEs as Drivers of National Economic Recovery

The Covid-19 pandemic has a significant impact on the decline of the national and global economy. Various attempts have been made by the government to increase economic growth so that Indonesia can avoid an economic recession. Coordinating Minister for the Economy Airlangga Hartarto said the third quarter of 2020 is an important and challenging momentum to restore the national economy. Therefore, in the second semester, optimization of government spending is the key. The goal is to put Indonesia's overall economic growth in 2020 in a positive zone. Therefore, the government encourages the development of micro and small, micro, and medium businesses as the people's economic motor that can boost economic growth and national economic recovery.

Through the empowerment of micro-businesses, it can help people who have experienced layoffs and lost income due to their business being affected by the Covid-19 pandemic. The government issued a policy to encourage the re-growth of micro-businesses, small and medium enterprises through the National Economic Recovery (PEN) policy. For micro-businesses, the government, among others, provides grants for startups, as well as increasing the LPDB (Revolving Fund Management Institution) Cooperatives and UMKM funds that can be used for cheap loans for MSMEs. The government also provides interest subsidies and simplifies credit or financing requirements and funding for MSMEs, including through People's Business Credit (KUR), as well as providing loan payment relief for MSMEs.

It is necessary to increase cooperation between Ministries / Institutions, local governments, banking institutions, fintech, marketplaces, and all business actors to be able to prepare MSMEs to compete in the domestic market and the global market during this pandemic. As an example of the official Gojek digital platform, it collaborates with various parties, including the government, to provide solutions to support MSMEs to advance to class through its initiative, #MelajuBersamaGojek. Gojek co-CEO Andre Soelistyo said this initiative was an effort of the Gojek ecosystem to help MSMEs to more easily implement digitization at every step of their daily business operations, starting from marketing, order (order processing), payment, delivery to administration.

By joining MSME players into the digital platform, it is hoped that MSME players can run their business from home and connect to the digital ecosystem and make product adaptations and innovations so that products can be recognized. Productive digital MSMEs are the key to national economic recovery for micro, small and medium enterprises.

Source:

- Ministry of Cooperatives and Small and Medium Enterprises
- Warta Kota