



**REGENT SUKOHARJO
PROVINCE OF CENTRAL JAVA**

**REGIONAL REGULATIONS OF SUKOHARJO DISTRICT
NUMBER 4 OF 2017**

ABOUT

DISSOLUTION OF THE VILLAGE CREDIT AGENCY REGIONAL COMPANY

BY THE GRACE OF GOD ALMIGHTY

REGENT SUKOHARJO,

- Considering:**
- a. that the Regional Village Credit Agency Company (PD BKD) in carrying out business as a microfinance institution is not optimal in fulfilling the aims and objectives of establishing PD BKD as a source of Regional and Village income;**
 - b. that PD BKD cannot fulfill the obligation to submit business results to the Regional Treasury as stipulated so that it does not make a positive contribution to the regional government and burdens regional finances;**
 - c. that in accordance with the provisions of Article 39 of Law Number 1 In 2013 concerning Microfinance Institutions, the existence of PD BKD is no longer in accordance with the provisions in question so it needs to be disbanded;**
 - d. that based on the provisions of Article 50 paragraph (1) Sukoharjo Regency Regional Regulation Number 22 of 2007 concerning Village Credit Agency Regional Companies as amended by Sukoharjo Regency Regional Regulation Number 8 of 2009 concerning Amendments to Sukoharjo Regency Regional Regulations Number 22 of 2007 concerning Regional Company Companies Village Credit, Dissolution of Regional Companies Village Credit Bodies are determined by Regional Regulations;**
 - e. that based on the considerations as intended in letters a, b, c, and d, it is necessary to stipulate a Regional Regulation concerning the Dissolution of the Village Credit Agency Regional Company;**

Bearing in mind: 1. Article 18 paragraph (6) of the Constitution of the Republic Indonesia in 1945;

- 2. Law Number 13 of 1950 Regency Formation of Regions about in Central Java Province Environment;**
- 3. Law Number 13 of 2003 concerning Employment (State Gazette of the Republic of Indonesia of 2003 Number 39, Supplement to State Gazette of the Republic of Indonesia Number 4279);**

4. Law Number 17 of 2003 concerning State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286); 5. Law Number 1 of 2004 concerning State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
6. Law Number 15 of 2004 concerning Audit of Management and Responsibility of State Finances (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplement to State Gazette of the Republic of Indonesia Number 4400);
7. Law Number 12 of 2011 concerning the Formation of Legislation (State Gazette of the Republic of Indonesia of 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234);
8. Law Number 1 of 2013 concerning Microfinance Institutions (State Gazette of the Republic of Indonesia of 2013 Number 12, Supplement to State Gazette of the Republic of Indonesia Number 5394);
9. Law Number 23 of 2014 concerning Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law Number 9 of 2015 concerning the Second Amendment to the Law Number 2 of 2015 concerning Regional Government (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);
10. Government Regulation Number 58 of 2005 concerning Regional Financial Management (State Gazette of the Republic of Indonesia of 2005 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 4578); 11. Government Regulation Number 71 of 2010 concerning Government Accounting Standards (State Gazette of the Republic of Indonesia of 2010 Number 123, Supplement to State Gazette of the Republic of Indonesia Number 4516); 12. Government Regulation Number 12 of 2017 concerning the Development and Implementation of Regional Government (State Gazette of the Republic of Indonesia of 2017 Number 73, Supplement to the State Gazette of the Republic of Indonesia Number 6041);
13. Presidential Regulation Number 87 of 2014 concerning Implementing Regulations of Law Number 12 of 2011 concerning the Formation of Legislative Regulations (State Gazette of the Republic of Indonesia of 2014 Number 199);
14. Minister of Home Affairs Regulation Number 80 of 2015 concerning the Establishment of Regional Legal Products (State Gazette of the Republic of Indonesia of 2015 Number 2036);

With Mutual Consent

REGIONAL PEOPLE'S REPRESENTATIVE COUNCIL OF SUKOHARJO DISTRICT

And

REGENT SUKOHARJO

DECIDE :

To stipulate: REGIONAL REGULATIONS CONCERNING DISSOLUTION
REGIONAL COMPANY VILLAGE CREDIT AGENCY.

PIG

GENERAL REQUIREMENTS

article 1

In this Regional Regulation what is meant by: 1. Region is
Sukoharjo Regency.

2. Regional Government is the Regional Head as an element of regional
government administrators who leads the implementation of
government affairs which fall under the authority of the autonomous
region.

3. The Regent is the Regent of Sukoharjo.

4. Village Credit Agency, hereinafter abbreviated as PD BKD, is the Village
Credit Agency of Sukoharjo Regency which is a Regional Owned
Enterprise in the form of a regional Credit Agency company.

CHAPTER II

DISSOLUTION

Section 2

When this Regional Regulation came into force, PD BKD was formed
based on Sukoharjo Regency Regional Regulation Number 22 of 2007
concerning Regional Company Companies
Village Credit as amended by Sukoharjo Regency Regional Regulation
Number 8 of 2009 concerning Amendments to Sukoharjo Regency
Regional Regulations
Number 22 of 2007 concerning Regional Company Companies
Village Credit was declared disbanded.

Article 3

The implementation of the dissolution of PD BKD as intended in Article 2
is carried out based on regulatory provisions
legislation.

Article 4

PD BKD assets that have been dissolved and become Regional rights are
returned to the Region.

CHAPTER III
DISSOLUTION COMMITTEE

Article 5

- (1) To follow up on the dissolution of PD BKD, a Dissolution Committee is formed which is determined by a Regent's Decree.
- (2) The Dissolution Committee as intended in paragraph (1) consists of elements from the Regional Government and PD BKD.

CHAPTER IV
SETTLEMENT OF OBLIGATIONS

Article 6

- (1) PD BKD obligations that must be completed include:
 - a. Rights of PD BKD Management and employees; And
 - b. Liabilities to Third Parties.
- (2) Settlement of personnel problems as referred to in paragraph (1) letter a, is carried out in accordance with the provisions of statutory regulations.
- (3) To complete the obligations as referred to in paragraph (1), it is charged to PD BKD's assets.
- (4) If there is a deficiency in completing the obligations as intended in paragraph (3), then it becomes the burden of the Regional Government.

CHAPTER V
TRANSITIONAL PROVISIONS

Article 7

Dissolution as intended in Article 2 does not result in PD BKD losing its legal entity status until the dissolution is completed by the committee and its accountability is accepted by the Regent.

CHAPTER VI
CLOSING

Article 8

When this Regional Regulation comes into force, Sukoharjo Regency Regional Regulation Number 22 of 2007 concerning Village Credit Agency Regional Companies (Sukoharjo Regency Regional Gazette of 2007 Number 24, Supplement to Sukoharjo Regency Regional Gazette Number 153), as amended by Sukoharjo Regency Regional Regulation Number 8 of 2009 concerning Amendments to Sukoharjo Regency Regional Regulations Number 22 of 2007 concerning Village Credit Agency Regional Companies (Sukoharjo Regency Regional Gazette of 2009 Number 8, Supplement to Sukoharjo Regency Regional Gazette Number 167) is revoked and declared invalid.

Article 9

This local regulation are applied at the date stated.

So that everyone is aware, this Regional Regulation is ordered to be promulgated by placing it in the Sukoharjo Regency Regional Gazette.

Stipulated in Sukoharjo on
July 20 2017

REGENT SUKOHARJO,

signed

WARDOYO WIJAYA

Promulgated in Sukoharjo
on July 20, 2017

REGIONAL SECRETARY
SUKOHARJO DISTRICT,

signed

AGUS SANTOSA

SUKOHARJO DISTRICT REGIONAL GAZETTE
YEAR 2017 NUMBER 4

The copy corresponds to the original
HEAD OF LEGAL SECTION,

BUDI SUSETYO, SH, MH
NIP

Trustee. 19730705 199203 1 004

**EXPLANATION
ON
REGIONAL REGULATIONS OF SUKOHARJO DISTRICT
NUMBER 4 OF 2017
ABOUT
DISSOLUTION OF THE VILLAGE CREDIT AGENCY REGIONAL COMPANY**

I. GENERAL.

Philosophically, the formation of the Sukoharjo Regency Village Credit Agency Regional Company (PD BKD) has the aim and objective of assisting and encouraging economic growth, regional and village development in order to improve the standard of living of the people and as a source of regional and village income.

PD BKD has a strategic role as an intermediary institution in economic activities for the community. Micro business actors who are hampered by collateral problems and administrative requirements as formal requirements in banking institutions.

PD BKD's governance as a microfinance institution does not use formal rules like banking activities. The cultural nuances of mutual cooperation and kinship are characteristic of the organization's implementation. The most prominent characteristic of PD BKD is its low operational costs as a simple and flexible organization.

The existence of PD BKD which provides social and economic benefits for the community is experiencing a number of problems so that it can no longer carry out its activities as a micro intermediation institution for the community. The problems that can be identified are: 1. PD BKD in carrying out business as a financial institution

micro is not optimal in fulfilling the aims and objectives of establishing PD BKD as a source of income Regions and Villages.

2. PD BKD's obligation to share company profits of 55% of the profits which must be put into the Regional Treasury cannot be fulfilled as stipulated so that it does not make a positive contribution to the regional government.
3. There has been a change in policy with the enactment of Law Number 1 of 2013 concerning Microfinance Institutions.
This change requires a change in the form of the PD BKD business entity as a regional company to a Limited Liability Company or cooperative as a microfinance institution.
So, in order to carry out business activities, the PD BKD business entity form is normatively no longer in accordance with statutory regulations.

Taking into account the problems faced by PD BKD so that it was no longer possible to run a business, the regional government took the decision to dissolve the Village Credit Agency Regional Company.

II. ARTICLE BY ARTICLE.

article 1

Quite clear.

Section 2

Quite clear.

Article 3

Quite clear.

Article 4

Quite clear.

Article 5

Quite clear.

Article 6

Quite clear.

Article 7

Quite clear.

Article 8

Quite clear.

Article 9

Quite clear.

SUPPLEMENTARY SUKOHARJO DISTRICT REGIONAL GAZETTE NUMBER 247