

# IMPLEMENTATION OF PUBLIC PRIVATE PARTNERSHIP IN THE MANAGEMENT MARKET RAU (RAU TRADE CENTER) IN KOTA SERANG

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**ABSTRACT** - According to the approach of New Public Service, the government's main focus is public service. As an institution in charge of providing services to the public, the government certainly can not do it all by itself or single fighter. This is because many types of services that must be provided to the public. Therefore do a cooperation contract between the government and the private sector (KSP) in supplying and servicing the public. Memorandum of understanding contract between the government and private or Public Private Partnership (PPPs) considered very necessary to organize public services, as well as the procurement and management of Rau Market (Rau Trade Center). Besides as icons Kota Serang, Rau Trade Center also serves as a tool in the development of the local economy. This study uses the theory of policy implementation according to Charles O. Jones, namely the organization, interpretation and application. The method used is qualitative case study approach. The results showed that the form of cooperation between the government of Kota Serang with PT. Pesona Banten Persada in the management of rau market is Build Operate Transfers with a concession period of 20 years since 2002. The cooperation is carried out to increase the economic activity of society to accommodate many traders. Rau market management differentiated by region in the building is the responsibility of the private sector and the authorities covering the costs of lease / sale price rental kiosks and stalls, hygiene management of garbage and cleanliness and parking levy withdrawal. Outside the building into the management of local authorities in terms of cleanliness and parking levies, while for rental kiosk / los beyond the authority of the local government because it is owned by an individual. Contributions partnership on revenue of Serang not optimal, amounting to 300 million per month from the levy cleanliness and parking. There has been no further decisions regarding the management of rau by the private market will continue or will be submitted to the local government after the concession period ends.

**keywords:** Analysis, Application, PPPs

## 1. INTRODUCTION

### 1.1 BACKGROUND

In economic concept, the market is a meeting place for sellers and buyers in trading activities to offer an item. Understanding the market can be abstract and concrete. Understanding abstract market is a seller or buyer does not meet directly and indirectly traded goods received. While the concrete market is a market where buyers and sellers meet directly, transactions and goods receipt directly.

The existence of a market if traditional markets and modern markets showed the economy of a region stretching. If the activity in a crowded market, many economic transactions take place, then the region's gross regional income will also increase. The market is a place of shopping goods for daily living. The market is where the velocity of money which lasted continuously for 24 hours a day.

According to the Department of Industry and Trade of Serang in 2011 the number of traders in the market and government markets.

**Table 1: According to the Department of Industry and Trade of Serang in 2011**

District	Location	Merchants
Curug	0	0
Walantaka	1	178
Cipocok Jaya	0	0
Serang	2	3.035
Taktakan	1	46
Kasemen	2	230
Jumlah 2011	6	3.489

Source: BPS. Serang in Figures: 2012

Based on the above table it is known that the number of markets that are owned by the Government of Kota Serang as 6 locations with a number of merchants reached 3,489 people. Highest number of traders are 2 locations in Kecamatan Serang namely rau market and pasar lama.

On 2 November 2007, the Government of Serang formed as an expansion area of Kabupaten Serang by

Law No. 32 Year 2007 on the establishment as well as the capital city of Serang Banten province. There are 8 districts in Kota Serang. Rau market in Kecamatan Serang. The expansion of the region resulted in the transfer of assets from Serang District Government to the Government of Serang, including the transfer of assets in the region is rau market.

Rau market is one of the largest traditional market in the city of Serang. Physical rejuvenation rau market in 2002 to 2004 were carried out by PT. Pesona Banten Persada as a business entity in cooperation with local governments Serang District. Initially stalls in the market rau yet neat, yet the separation between wet with dry merchandise such as clothing and so forth. Some objective of rejuvenation rau market is, first, to make rau market well-organized attack and qualifies as a market that is safe, comfortable, and clean both for traders and for visitors. Second, is expected to accommodate small traders or economically weak groups in conducting its business activities, so as to increase the income and welfare.

The third goal of rejuvenation market is expected terwujudnya rau center rau market economy which can hold as many small traders to build a three-story perbelajaan center representative, with the availability of facilities such as public toilets penunjuang, mosque, while landfills and availability of parking space. It aims to reduce traffic congestion in the area and to improve the image of the town attacked a market in the capital of the province of Banten, and the fourth goal is to increase local revenues in the sector of the market retribution, cleanliness and other legitimate sources of income to support the implementation of development at City of Serang, (Source: DIPPAS.2001. Draft Planning and Revitalization Main Market Serang)

Currently rau market better known as the pride of the city of Serang icon with the name Rau Trade Center. Rau market is a market that provides a wide range of needs of primary and secondary needs goods. With assets of as much as 5,250 fruit stall which stands on the ground pants 44 229 m<sup>2</sup> and the number of traders as much as 5,851 people increasingly make rau markets become the primary choice in shopping community Serang.

Rau market rejuvenation is done through cooperation contract or Public Private Partnership between government agencies and enterprises. In this case representing the local government is the Regent of Serang, namely Drs. H. Bunyamin, MBA and private parties, namely PT. Pesona Banten Persada. The cooperation agreement made in 2002. The cooperation is carried out in the construction market is rau Build, Manage and Transfer Property (Build Operate Transfer / BOT) with the duration of the agreement for 20 years. (Cooperation agreement no. 03 / MCC / 511.2-HUK / 2002).

Trade transactions carried out in the RTC not only trade / retail small, but also large retail and it is very influential on regional income. One indicator to measure the economic progress of a region is regional income. Regional income is basically the Gross

Domestic Product minus depreciation, plus indirect taxes and net income flows from other regions. Judging from the calculation on the basis of current prices, GDP increased by 13.87 percent Serang, namely from 5657.28 billion in 2010 to 6441.73 billion in 2011. The percentage distribution PRDB Serang City at current prices of major trade sector and little is 18:02 in 2010 and 17.76 in 2011. (BPS:2012). Increasingly increased economic activity showed the economic growth and income generation in the community. role or rau rau market trade center as a place of economic transactions plays an important role for the development of the local economy and increase local revenues Serang.

The revenue contribution of market activity, among others, parking fees, hygiene and company profit sharing to local governments. The following Serang city government revenue realization in 2011 of the original income sector.

**Table 2: Government Revenue Realization In 2011**

PAD component	Revenues
Local Tax	28.955.917.249
Retribution	7.326.935.396
Regional owned company and other revenues	0
Other legitimate PAD	5.607.482.114
Total revenue	41.890.334.759

Sumber : BPS: 2012.

From the table above, note that the local revenues derived from levies still low. The number of people both traders and visitors to rau market in 2012 reached 2300 people. With this amount, it can be assumed contribution rau parking fees in the market is very large. But the above data shows the contribution of parking fees are still low.

## 1.2. FORMULATION OF THE PROBLEM

Based on the above background exposure, researchers are interested to study more about the analysis of the implementation of public private partnership in the management of market rau (Rau Trade Center) Serang.

## 2. THEORY

### 2.1 IMPLEMENTATION OF PUBLIC POLICIES

Cooperation between the government and business entities in the provision of infrastructure governed by Presidential Decree No. 13 in 2010. As a public policy, of course, the implementation of these policies should be assessed according to the theories of experts. In this study will be submitted understanding of public policy and public policy implementation.

Carl J Frederick mendefinisikan policy as a series of actions / activities proposed by a person, group or government within a given environment where there are constraints (difficulty - difficulty) and opportunities for the implementation of the policy proposals in order to achieve certain goals. Meanwhile Riant Nugroho said there are two characteristics of public policy, namely:

- 1) public policy is something that is easy to understand, because the meaning is the things that are done to achieve national objectives;
- 2) public policy is something that is easily measured, because the size is clear that the extent to which progress towards the ideals has been taken.

While Thomas R. Dye declared "public policy is whatever government choose to do or not to do" (Any and elected government to do or not to do). This definition emphasizes that public policy is the embodiment of "action" and not a statement of the government's desire or public officials alone.

Public policy process does not stop after the policy defined and approved. The next concern is the implementation of the policy. Implementation is widely regarded as the implementation of the law in which various actors, organizations, procedures and techniques work together to carry out the obligations in an effort to achieve policy goals or program. On the other hand, the implementation of the complex is a complex phenomenon which can be understood as a process, output, as well as an impact / outcome.

In the research on the application of PPPs in market management, researchers refer to the implementation of the theory according to Charles O. Jones. Jones (1984: 12) interprets the policy as "getting the job done and doing it". Although the above definition is simple, but it does not mean that the implementation of a policy process that can be carried out easily. In practice, according to Jones demanding requirements, among others, the person or the executor, money and organizational skills.

Jones (1984: 13) formulates restrictions in implementation as "a process of getting additional resources so as to figure out what is to be done". Where public policy implementation is a process of getting additional resources, so it can be calculated what should be done. Charles O'Jones (Harahap, 2004: 15) argues that implementation is an interactive process between a set of objectives to be interactive with the actions or activities that preceded it, in other words the implementation of an activity that is meant to operate a program with pillar- pillars of the organization, interpretation and implementation. 3 pillars of implementation by Charles O. Jones is:

- 1) Organization, every organization must have an organizational structure, the human resources quality as executive personnel and equipment or work tools and supported by a clear legal devices.
- 2) Interpretation, then those responsible can carry out their duties in accordance with laws or regulations, to be seen whether implementation has been in accordance with the technical implementation guidelines and instructions issued by the competent authority.

Implementation, regulatory / policy such as implementation guidelines and technical guidance has been run in accordance with the provisions, to be able to see this must also be equipped with a clear working procedures, work program and schedule of discipline.

## **2.2 THE CONCEPT OF PUBLIC PRIVATE PARTNERSHIP**

The term "Public-Private Partnerships" itself in the last two years it feels quite familiar to us who are involved in the fiscal world. This term arose when the fiscal capacity of the government in the provision of public infrastructure is very limited amount. On the other hand the quantity and quality of the degree of damage to the existing infrastructure continues to increase.

According to William J. Parente of USAID's Environmental Services Program, PPP definition is "an agreement or contract, between a public entity and a private party, under the which: (a) private party government undertakes the function for the specified period of time, (b) the private party receives compensation for performing the function, directly or indirectly, (c) the private party is liable for the risks arising from performing the function and, (d) the public facilities, land or other resources may be transferred or made available to the private party."

Public Private Partnership is a public-private partnership is a cooperation agreement (PKS) where

- 1) The private sector carry out some functions of government during a certain time
- 2) Private parties receive compensation for the execution of these functions either directly or indirectly
- 3) Private parties responsible for risks arising from the implementation of these functions
- 4) Government facilities land or other assets can be handed over or used by private parties during the contract period.

Cooperation contract between the government and the private sector to do a variety of reasons, among others, to acquire additional investment funds, to hold public services are not yet available, to acquire new technologies and proven its superiority. In addition, to improve the level of efficiency, to increase competition, to improve the transparency of the procurement process and to create employment opportunities.

Implementation of PPPs in Indonesia stipulated in Presidential Decree No. 67 of 2005 which has been revised to Presidential Decree No. 13 of 2010 on Cooperation between the Government and Business Entities in the Provision of Infrastructure. In Article 4 of Presidential Decree No. 13 of 2010 describes the types of infrastructure that can be undertaken in cooperation with business entities include:

- 1) transport infrastructure, including the services of airport services, supply and / or service port, railway infrastructure;
- 2) road infrastructure, including toll roads and toll bridges;
- 3) water infrastructure, including raw water bearer channel;
- 4) water infrastructure that includes the building of raw water extraction, transmission networks, distribution networks, water treatment plants;
- 5) waste water infrastructure includes wastewater treatment plant, gathering network and the main

network, and garbage facilities including transport and disposal;

- 6) telecommunications and informatics infrastructure, telecommunications networks and infrastructure include e-government;
- 7) electrical power infrastructure, including power plants, including the development of electricity derived from geothermal, transmission, or distribution of electricity; and
- 8) the oil and gas infrastructure, including transmission and / or distribution of oil and gas.

The forms of cooperation between the government and enterprises, among others:

- 1) The service contract is a contract between the government and the private sector to carry out the task ternetu, such as repair, maintenance or other services. Generally, short-term (1-3 years) with compensation / fee.

Some examples of service contracts; contractual street cleaning, waste collection and disposal, maintenance of roads, river dredging, crane car service.

- 2) The Management Contract is the entire management (operation and maintenance) in an infrastructure or public services to the private sector in the longer term (usually 3-8 years) usually with compensation fixed / fixed fee. Examples of contract management is the improvement and maintenance of roads, disposal and pengurangan garbage (solid waste landfill), the operation of water treatment plants (water treatment plant), the management of public facilities (hospitals, sports stadiums, parking places and schools)
- 3) Leasing (lease) contracts where private parties pay the rent (fixed fee) for use as a public facility and manage, operate and maintain the meneriima payments from users of the facility (user fees). Tenant / private sector bear the commercial risks. Contracts are generally between 5- 15 years.
- 4) Build Operate Transfers / BOT.  
BOT is a contract between government agencies and enterprises / private (special purpose company) in which the entity responsible for the final design, financing, construction, operation and maintenance of an infrastructure investment project for several years, usually with the transfer of assets at the end of the contract period. Generally applicable contract period between 10 to 30 years.
- 5) Contract Concessions  
The structure of the contract which the government hand over full responsibility to the private sector (including financing) to operate, maintain and build an infrastructure asset and gives the right to develop, construct and operate a new facility to accommodate business growth. Generally applicable concession period between 20 years to 35 years. Some examples of the rental contract, among others, air port (in whole or in part), toll roads, seaports, supply and distribution of clean water.

### 2.3 COOPERATION AGREEMENT BETWEEN THE GOVERNMENT OF THE DISTRICT SERANG BANTEN PT PESONA PERSADA IN MARKET DEVELOPMENT RAU

Agreement of Cooperation in the construction market Rau in 2002, where as the first party is the Serang District Government in this case represented by the Regent of Serang Drs. H. Bunyamin, MBA and as the second party is PT Pesona Persada Banten represented by M. Adenan as director. Rau market development conducted on the land assets Serang district government area of 49 750 m<sup>2</sup> (use right certificate) which consists of 44 229 m<sup>2</sup> and 5,521 m<sup>2</sup> market location street market environment. Forms of cooperation in the construction market is rau Build, Manage and transfer Owned (Build Operate Transfers).

## 3. RESEARCH METHODOLOGY

### 3.1 OBJECT RESEARCH

The object of this research is the application of cooperation between government agencies and enterprises that Public Private Partnership in the management of market rau (Rau Trade Center) in Serang city.

### 3.2 RESEARCH DESIGN

This study uses a case study with a qualitative approach. Case study method is a method which seeks to bring important meanings of human activities. This method analyzed by descriptive words and phrases are obtained through in-depth interviews. With the case study method statements will be generated through a thorough writings.

### 3.3 INFORMANT

Informants are set to obtain the necessary data. Informants were obtained ascertained are people who have accurate information about the implementation of public private partnership in the management of market Rau (RTC) Serang. The informants include RTC manager, PT. Pesona Banten Persada, traders who occupy booths / stalls, street vendors in the market rau and visitor market and the Department of Finance and Asset Management Serang, Department of Industry, Trade and Cooperatives, Department of Hygiene and Serang.

The informant, obtained based on the consideration of the function and role of informants in accordance focus on the problem of writing. Subject categories informants are those directly involved in the process of implementation of public private partnership in the management of market rau / RTC Kota Serang. Interviews were conducted repeatedly (in-depth interviews), namely PT. Pesona Banten Persada, traders, market visitors, DPKAD, Disperindagkop, and Serang City Health Department to do triangulation to strengthen previous data in order to complete the writing.

### 3.4 DATA ANALYSIS TECHNIQUES

Activity data analysis performed concurrently with data collection is through triangulation.

## 4. RESULT AND DISCUSSION

### 4.1 DESCRIPTION LOCATION RESEARCH

As the capital of the province of Banten, Serang city has a strategic position. as the administrative center of the province of Banten, as well as alternative and buffer area (hinterland) State Capital, because of Jakarta City is only about 70 km. The northern city of Serang bordering the Java Sea, and the east by Kabupaten Serang, as well as in the south and in the west by the Kabupaten Serang.

The total population of the city of Serang In 2013 amounted to 618 802 inhabitants, with the male population as much as 317 501 lives and more than the female population of 301 301 inhabitants. In 2013 the city of Serang has six districts with 66 villages.

PT. Pesona Banten Persada is a winner of the tender the construction and renovation market Serang Rau. Founded in 2002 in conjunction with the project will dilaksanaakannya. PT. Pesona Banten Persada has a capital of two billion rupiah (Rp 2,000,000,000, -), divided into 2,000 shares. With the nominal value of each share of one million dollars (\$ 1,000,000, -). Of that capital has been subscribed and paid 50% or a 1,000 shares with an aggregate nominal value of one billion rupiah (Rp 1.000.000.000, -) and have taken parts owned by the founders. There is also the rest of the existing shares will be issued if it is felt by the shareholders need additional capital for the development of the company and by the general meeting of shareholders.

### 4.2 RESEARCH RESULT

Key informants in this study was composed of operational managers Persada PT Pesona Banten, head of rental kiosks and stalls, HR manager, operations manager of PT. Indonesia pizzeria, head of the reception DPKAD Serang, parking attendants in the market rau, parking attendant outside rau market, traders and visitors rau market.

Trading activity in Serang city government market showed significant growth. This can be seen in the growth of the market and the number of traders in some markets Serang city government

**Table 3: Trading activity in Serang**

Subdistrict	Number location	Merchants
Curug	0	0
Walantaka	1	228
Cipocok Jaya	0	0
Serang	3	5.768
Taktakan	1	150
Kasemen	2	1.032
Total 2013	7	7.178
Total 2012	6	2.659

Sources : BPS; 2014

Application of PPPs in developing markets rau Serang based cooperation agreement No. 03 / MCC / 511.2-HUK / 2002. In the initial agreement with the certificate of use by developers consisted of 44.229m<sup>2</sup> locations and 5,521 m<sup>2</sup> market street market environment. PPPs are forms of Build Operate Transfers with a concession period of 20 years. Means

the future governance Persada PT Pesona Banten rau market will expire in the year 2023, approximately eight years.

Based on interviews with operational managers RTC Mr. Khaeruzzaman Aeng rau mentioned that the market is the main market for the city of Serang. Upgrades made to improve the economic activity of society. before it was built as the current market conditions rau consists of only one floor and there is no separation between dry and wet types of merchandise. For now the area of market management rau under Persada PT Pesona Banten about 2 acres with 5,500 good number of traders who have stalls, as well as the Commerce los emprakan / PKL. RTC building currently consists of ground floor, first floor and second floor as well as a parking lot above.

Meanwhile matching the opinion expressed by Mr. Chandra Husaini as rental and sales coordinator mentioned that on the ground floor only remaining unfilled stall 21, on the 1st floor there are still many empty stalls around 230 stalls. On the ground floor the majority of traders have become the property of 2,000 stalls. Total stalls managed by the company was 4,422. Still according to Mr Chandra, for rental kiosk / los depending on the place and block the rent. To the ground floor rent per month at least Rp 500,000 to Rp 1,000,000. As for the first floor is mostly used for salon and children's games the rent is about 250,000 / month with the size of the kiosk / los 2x3.

Subject rental kiosk or los of this, researchers asked traders in Market Rau in different blocks. According to Hj Hapsah clothing seller, stall rental fee which is in front of the block facing the road is 150 million / year. A different opinion was delivered by Mr. H. Suryadi school supplies salesman who was in the front hall. According to Mr H Suryadi, currently occupied stall has become proprietary. At that time, in 2008 they occupy a kiosk selling price of about 500 million dollars, while for the lease of about 25-30 million dollars per year. Still according to Mr. H. Suryadi a shop in front of the hall, years ago in 2012 sold at a price of 1.2 billion. Still on the cost of rental kiosks and stalls, for traders who are in wet areas, namely vegetables, groceries and side dishes, rental prices vary. According to Mrs. Rohayati seller groceries, stall rental price has reached 7 million dollars per year, it was the mother Rohyati rent on his brother who had the stall. Currently rental kiosk in wet areas (seller groceries) has reached 10 million / year. The rental price is different for meat and fish traders, where the average trader is not shaped kiosks / stalls, but the size of 2x1 and made of planks. Rental costs about 250 thousand dollars per year.

Activity in the market rau carried out for 24 hours, at night until the morning usually large vegetable trader activity to be resold by retailers both circumferential and vegetable retailers or small traders who sell on the porch or outside rau market by holding a stall. Merchants who are under the management of PT. Pesona Banten Persada in the market, while traders who sell outside the fence, not the management areas of the company.

Based on an interview with Mr. H. Saparudin a butcher, he sells outside rau market. Kiosk / los they occupy belong to individuals, not the developer. With rental costs about 500 thousand dollars per year. Merchants who are outside the fence of the building blocks of the RTC did not pay rent to the developer, but to individuals who usually referred to as a warrior or champion. When asked the reason why not move into the market, according to Mr H Saparudin, this is due to sell outside the fence of the building RTC has been done for a long time. Anyway berjualannya location close to grinding meat, so buyers who need ground beef directed at the kiosk.

Subject traders who are outside the fence the market, Mr. Chandra Husaini said efforts to merekolasi traders to move into hard to do. despite the lure of free rental fee for 6 months or cuts the cost of rent, but many traders who do not want to move to the quiet grounds of buyers and customers are familiar with the location of where they sell. Trading outside fence, allows buyers to directly purchase merchandise without having to park his vehicle.

Stretching economy grew very fast in the market Rau contributed significantly to the economic growth of Serang. On a typical day visitor numbers peak at market rau 2300 / year includes traders and visitors. If related to government revenue from the sector real parking levy parking fees from the market potential is very large rau. Based on interviews with operational managers PT. Pesona Banten Persada for parking levy contributions managed by the company is 100 million dollars per month deposited into Serang city government. Management of parking in the RTC before the year 2013 is managed directly by PT. Pesona Banten Persada, since the year 2013 in the RTC parking management outsourced to third, namely PT. Indonesia parking. The cooperation is not in Serang city government, but by PT. Pesona Banten Persada. The current tax rates for different parking, for a four-wheeled vehicle, a minimum of two thousand dollars the first hour and a thousand dollars next hour. For two-wheelers, parking tariff amounting to two thousand dollars.

Parking voting before managed by third parties for two-wheeled vehicles of one thousand dollars indefinitely and for four-wheeled vehicles only two thousand dollars. When asked about the potential revenue from parking fees that are currently managed by the private sector, Mr. Chandara states there is a decrease in revenue from parking fees by 30-40% of the total revenue. Similarly, the management of kiosks and stalls, the management of parking fees at rau market, an area of PT. PBP is inside the fence, to park outside the fence market is managed by individuals who are called "warriors".

Regarding cleanliness at rau market, according to Mr Kharuzzaman as operational managers, waste management market in the region rau (the wall) is the responsibility of the developer. With a fleet of trucks carrying as many as four, but only two trucks that are roadworthy. The volume of waste per day is 500 m<sup>3</sup> transported by 12 carts and time transporting waste to

be disposed of to TPSA Cilowong is 2 times a day at 10 am and 4 pm. Total janitor including personnel hygiene Salaran as many as 38 people to levy dues amounting to 3000 dollars per day stall. While the outside of the building waste management market conducted by the City Health Office of Serang. According to Mr H Saparudin, traders who are outside the fence is also charged fees for cleanliness and safety, about 3000 dollars per day.

According to Mr. Khaeruzzaman Aeng, cleanliness levy contribution from PT Pesona Banten Serang Persada to the Government amounting to 100 million dollars per month. Good waste management method conducted by PT. PBP as well as those conducted by the City Health Department Serang still using simple methods that gather, transport and waste. Serang City Sanitation Department has the right to levy dues cleanliness of all traders who sell outside the market building area rau or outside the fence. Withdrawal levy cleanliness outside of the building is done at 08.00 until 11.00 pm.

### **4.3. DISCUSSION**

Discussing the application of Public Private Partnership in market management Rau (Rau Trade Center) Kota Serang pursuant to Presidential Decree No. 13 In 2005 researchers using the theory of implementation by Charles O Jones as knives analysis in this study. According to Jones, there are 3 elements, namely the organization of policy implementation, interpretation and application.

Implementation of PPPs according to the Organization pillar management is done by the private sector from the beginning of construction until the current operation is carried out by PT Pesona Banten Persada. The management includes management of rental kiosks and stalls, hygiene and management of the management levy parking fees before the year 2013. Contributions companies to local government in this case is the parking charges of 200 million dollars per month and cleanliness levy of 100 million dollars per month deposited into the local treasury , Starting in 2013 until today the withdrawal of parking fees in the building market Rau conducted by PT. Indonesia parking which is subcontracted PT PBP. Management vendors in terms of rental kiosks / stalls and parking is done individually, while the management of cleanliness retribution carried out by the Department of Health of Serang.

From pillar interpretation, application of PPPs in the management of rau market in Serang city set in the cooperation agreement No. 03 / MCC / 511.2-HUK / 2002, the management has not fully develop the area or areas agreed upon in the agreement, which in the agreement stated that the market management rau area of 44 229 m<sup>2</sup> to 5,521 m<sup>2</sup> location street markets and the market environment. Parking space provided by the developer in the roof of the building has not been fully utilized. Most visitors prefer to park their vehicles market in the parking lot managed by individuals. On the first floor is missing a number of stalls are still quite a lot that is 230 stalls, especially on the back of the block. Serang city government as a

hands-off in the supervision of the management of the market in the building, because the concession period or cooperation contract has not been completed. From pillar implementation, the partnership between the City of Serang with PT. Pesona Banten Persada related contributions to local revenues only amounted to 300 million dollars per month. This shows revenues from levies sector is still low, as in the table below.

**Table 4: Contributions To Local Revenues**

Component PAD	Revenues
Local Tax	45,129,979,193
Retribution	10,539,095,627
Regional owned company and others	0
Other legitimate PAD	9,707,012,605
Total	65,376,087,425

Sources : BPS; 2014

## **5. CONCLUSION**

The implementation of public-private partnership in the management of rau market in Serang city for the improvement of local revenues is not optimal. The cooperation of the concession period lived

approximately 8 years. There has been no decision on whether such cooperation will dilanjutan or rau market management will be left entirely to the City of Serang.

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