

CERTIFICATE OF PARTICIPATION

IS PRESENTED TO:

RAHMAN BUDI SUHARTO

FOR SUCCESSFULLY COMPLETED THE
INTERNATIONAL ACADEMIC WEBINAR
SERIES 2/2022 ON 24 JUNE 2022
(INSPIRING THINKERS AND EXCHANGING IDEAS)
ORGANISED BY
FACULTY OF BUSINESS AND MANAGEMENT



PROFESSOR DATO. DR. JAMIL BIN HAJI HAMALI
RECTOR
UNIVERSITY TEKNOLOGI MARA
SARAWAK BRANCH, MALAYSIA

Our Ref. : 100-UiTMS (HEA/FPP. 14/3/4)
Date : 23 May 2022Dr. Rachmad Budi Suharto
Universitas Mulawarman,
Jalan Kuaro, Kampus Gunung Kelua
Samarinda
Indonesia

Dear Dr. Rachmad

INVITATION AS A GUEST SPEAKER

Greetings from the Faculty of Business and Management, UiTM Sarawak. The faculty is going to have its **3rd International Academic Webinar** for this year on 24 June 2022 (Friday) (Malaysian time). It is a half-day event that affords meaningful beyond-the-classroom learning opportunities for our academics and undergraduates to enrich our knowledge on the current trends of cooperative and enterprises development.

With this, we would like to invite you as one of our guest speakers to share your experience and expertise in the webinar scheduled on **24 June 2022 (Friday) at 3:05 p.m. until 3:45 p.m.** (Malaysian time) via online meeting platform. The theme for this 3rd international webinar "Inspiring Thinkers and Exchanging Ideas" emphasizes the importance of knowledge sharing in lifelong learning process. Therefore, we would appreciate your willingness to accept our invitation to share on the topic "**Micro and Small and Medium Enterprises (MSMEs) in Regional Economic Development**". We looking forward to hearing from you to share the experience of micro and small and medium enterprises in the regional economy.

Should you have any concerns and queries, please do not hesitate to send an email to the event coordinator, Dr. Lee Wen Chiat at wenchiat@uitm.edu.my or call +6016-8001883.

Thank you in advance for your support and contribution towards the success of this webinar.

"WAWASAN KEMAKMURAN BERSAMA 2030"
"BERKHIDMAT UNTUK NEGARA"

Yours sincerely,

PROFESSOR DR. FIRDAUS ABDULLAH
Deputy Rector (Academic & International Affairs)Anugerah Kualiti
Naib Canselor
2015
(Kampus Negeri)
Kepimpinan,
Perancangan Strategik
& Tumpuan Kepada
Tenaga KerjaAnugerah Kualiti
Naib Canselor
2010 & 2011
(Kampus Negeri)
Perancangan Strategik,
Pengukuran, Analisa &
Pengurusan Proses &
PengukuranPemenang
Anugerah Kualiti
Perkhidmatan Awam
Negeri Sarawak 2019Anugerah
Inovasi &
Kreativiti
Setiasaha
Perskutuan
Sarawak 2010Tempat Pertama
Anugerah ICT
Setiasaha
Perskutuan
Sarawak 2009Perijiliran
Pengamal
Kualiti
Berkualiti
SS
2009Pengiktirafan
Pengamal
Kualiti
(AKKMS 2008)ISO 9001 : 2008
Certification by LRQA
Provision Of Student
Services and
DevelopmentPemenang
Anugerah Kualiti
Kenia Pengarah
MAMPU 2016Pemenang
Anugerah Kualiti
Perkhidmatan Awam
Negeri Sarawak 2006Pemenang
Anugerah Kualiti
UiTM 2006
Anugerah Gemilang

USAHA, TAQWA, MULIA

Micro, Small and Medium Enterprises (MSMEs) in Regional Economic Development

Dr. Rahmad Budi Suharto
Mulawarman University,
Samarinda City, INDONESIA



A phenomenon that occurs in Micro, Small and Medium Enterprises after the Covid-19 Pandemic

Micro, Small and Medium Entrepreneurs close their businesses, resulting in, There is a lot of unemployment. A significant impact occurred in regional economic development because small and medium enterprises contributed significantly to the Gross Domestic Product (GDP).



OECD SME and Entrepreneurship Outlook 2021

Three particular themes emerge from the crisis as critical for a fair and sustainable recovery:

- 1. The rising risk of SME indebtedness and its impact on SME resilience and their future productive investments.**
- 2. Possible relocalisation and return to industrial policies, the core role of local SMEs and the impact on their access to strategic resources and market.**
- 3. The effect of the crisis on digitalisation, innovation, business dynamics and entrepreneurship.**

Definition of Micro, Small and Medium Enterprises (MSMEs)

Definition of MSMEs in Indonesia

- **Micro Industry**

1. Have net assets up to IDR 50,000,000; or
2. Have annual revenue from sales up to IDR 300,000,000.

- **Small Industry**

1. Have net assets over IDR 50,000,000 (50 million rupiah) to IDR 500,000,000 (500 million rupiah); or
2. Have annual revenue from sales over IDR 300,000,000 (300 million) to IDR 2,500,000,000 (2.5 billion rupiah).

- **Medium Industry**

1. Have net assets over IDR 500,000,000 (500 million) to IDR 10,000,000,000 (10 billion rupiah); or
2. Have annual revenue from sales more than IDR 2,500,000,000 (2.5 billion rupiah) to IDR 50,000,000,000 (50 billion rupiah).

Why is it so important the Role of Micro, Small and Medium Enterprises in Regional Economic Development ???

- 1. According to the World Bank: MSMEs account for the majority of businesses worldwide and are important contributors to job creation and global economic development.**
- 2. According to Bank Central Indonesia: MSMEs provide a significant contribution to Indonesia's national economy through gross domestic product formation and labour absorption. Furthermore, MSMEs are also economically resilient, thereby supporting financial system and economic stability.**

The Role of Micro, Small and Medium Enterprises in Regional Economic Development in Indonesia



Contribution to Gross Domestic Product (GDP) of 56%



Investment Absorption of 50%



Absorbing 97% of the Labor Force

The financing constraints experienced by MSMEs are caused in part by a lack of financial reporting as the main tool used by financial institutions to evaluate creditworthiness.

- 1. In response, Bank Indonesia strives to provide its best contribution through MSME development policies that increase access to finance.**
- 2. MSME development efforts by Bank Indonesia aim increase the capacity and managerial capabilities of human resources in the MSME environment, while promoting innovation.**

Bank Indonesia implements MSME development policy as an integral part of its strategic program as follows:

- 1. Strengthening the effectiveness of monetary policy and the Bank Indonesia policy mix to achieve rupiah stability.**
- 2. Strengthening synergy between the Bank Indonesia policy mix, fiscal policy and structural reforms in order to manage the current account deficit and catalyse sustainable economic growth.**
- 3. Strengthening macroprudential policy and surveillance in order to maintain financial system stability.**
- 4. Strengthening Bank Indonesia policy and synergy with government and OJK policies in order to develop the digital economy and finance.**
- 5. Developing BI policy in synergy with other parties to support development of the Islamic economy and finance.**
- 6. Strengthening international cooperation in the interest of Bank Indonesia and the Republic of Indonesia.**

Bibliography:

1. <https://www.oecd-ilibrary.org/sites/97a5bbfe-en/1/3/2/1/index.html?itemId=/content/publication/97a5bbfe-en&csp=d1fc5acec34e67180d5f3e84ef7e00e6&itemIGO=oecd&itemContentType=book>
2. <https://www.bi.go.id/en/fungsi-utama/stabilitas-sistem-keuangan/pengembangan-umkm/Default.aspx>

Thank You

Dr.Rahcmad Budi Suharto



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