



## Alternative To Development of Tourist Attraction with Public Private Partnership Scheme in Magelang Regency

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Received : July 10, 2021

Accepted : August 15, 2021

Published : October 31, 2021

Citation: Arifah, S., Probohudono, A.N., Djuminah., & Gantowati, E. (2021). Alternative To Development of Tourist Attraction with Public Private Partnership Scheme in Magelang Regency. *Ijomata International Journal of Management*, 2(4), 263-273.

<https://doi.org/10.52728/ijm.v2i4.271>

**ABSTRACT:** This study aims to see how the condition of the object/Tourist Attraction (TA) in Magelang Regency and its alternative development. This research uses a descriptive qualitative approach with case studies of 31 tourism objects which will then be investigated regarding their conditions and possible future developments. Research data were obtained by direct observation of the location of tourist objects and through semi-structured interviews. The results of this study illustrate that tourism objects in Magelang Regency are currently quite developed. However, this has not been able to attract general tourists to linger in the regency and provided an optimal contribution to regional income. This is because tourism objects in the regency other than Borobudur Temple have not been maximized for their existence and utilization. The Public-Private Partnership (PPP) scheme model can be an alternative to be applied in developing tourism objects accompanied by an appropriate Value for Money (VfM) analysis. Tourism objects in the form of cultural heritage can be developed through concession contracts, natural beauty can be developed through management contracts, and artificial objects can be developed through service contracts while considering the development needs of each tourism object. Local governments need to establish cooperation with the private sector with a Public-Private Partnership scheme accompanied by the preparation of strict regulations so that the implementation of cooperation in the context of developing tourism objects in the Magelang Regency can bring optimal benefits to all parties.

**Keywords:** Tourist Attraction (TA), Public-Private Partnership (PPP), value for money (VfM)



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### INTRODUCTION

Indonesia is rich in natural and cultural tourism, as evidenced by the many natural charms, historical heritage, artistic diversity, and cultural customs of the local community, but its use is still much that has not been maximized. In the last three decades, the government has pushed for the Public-Private Partnership (PPP) program, to to invite private participation to improve infrastructure development, including in the regions level. The Minister of Finance explained that based on the results of a meeting with 30 regional heads to discuss more intensively regarding

Government Cooperation with Business Entities. It was explained that the need for development was very important and very high, but resources were also limited, and at the same time there were opportunities in where the private sector can bring not only money to solve problems but also provide solutions to governance discipline problems and also discipline in managing the financial and economic aspects of the project that was needed to collaborate with. Therefore, the Minister of Finance hopes that local governments can take advantage of the opportunity of this PPP scheme to encourage development in their respective regions by not only depending on the allocation of central funds to the regions ([Abednego & Ogunlana, 2006](#); [Gultom, 2021](#)).

As the word of the successes of these partnerships grows, PPPs have become more widespread to all public jurisdiction sizes. However, literature clearly agrees that PPP appears to have no clear definition or standard implementation methods ([Buso et al., 2021](#); [Jacobson & Ok Choi, 2008](#)). A public private partnership can be seen as an appropriate institutional means of dealing with particular sources of market failure by creating a perception of equity and mutual accountability in transactions between public and private organisations through cooperative behaviour ([Pongsiri, 2002](#); [Tavana et al., 2021](#)).

Magelang Regency with an area of 108,573 Ha has various interesting traditions, cultures, natural resources, and TA. The word Magelang comes from 2 (two) words, namely "maha" and "gelang" which means a very large bracelet. Various natural attractions such as mountains, hills, forests, plantations, waterfalls, and various cultural heritages are very charming ([Hadji et al., 2017](#)). However, if it is related to the natural wealth owned, the regional income obtained in Magelang Regency is not optimal. The problem that arises regarding TA in Magelang Regency is those non-local tourists generally only visit Borobudur Temple as part of a tour package for the Yogyakarta region. So that tourists coming from the direction of Yogyakarta only visit Borobudur Temple, and then return to Yogyakarta. Visits of non-local tourists to other TA besides Borobudur Temple are still very limited, so it needs to be published in addition to needing to be repaired and developed the existing facilities. In the context of developing this TA, one alternative form of cooperation that can be carried out is the PPP scheme.

PPP, which is a form of agreement between the government and private partners, generally has a long term, both at the central and local government levels. William J. Parente of the Environmental Services Program of the United States Agency for International Development (USAID), defines PPP as "an agreement or contract, between a public entity and a private party, under which: undertakes government function, receives compensation for performing the function, is liable for the risks arising from performing the function and, the public facilities may be transferred or made available to the private party" (Priadi, 2016). In this PPP cooperation, the potential benefits and risks are shared between the government and the private sector. Regulations in Indonesia call this PPP with the term 'Kerjasama Pemerintah Badan Usaha' (KPBU). Presidential Regulation No. 38 of 2015 states that KPBU, namely cooperation between the government and 'Badan Usaha' (BU) in providing infrastructure for the public interest, refers to the criteria/indicators that have been set by the minister/head of agency/regional head/BUMN/BUMD, in which using the resources of BU in part or whole, with due observance of the head/BUMN/BUMD, in which using the resources of BU in part or whole, with due observance of the risk-sharing of each party.

Management in the public sector is often seen as a source of waste, inefficiency, and leakage of funds. So, the new demands emerge for public sector organizations to improve performance by paying attention to value for money (VfM). However, the PPP scheme is believed to be alternative financing for infrastructure development that can increase the effectiveness and efficiency of development implementation along with improving the quality of public products and services through the sharing of capital, risk, and competence or expertise of human resources to generate VfM for infrastructure development in Indonesia ([Susantono & Berawi, 2012](#)). VfM is a management concept in public sector organizations based on 3 elements, namely

economy, efficiency, and effectiveness. The problem formulated in this research is how the condition of TA in Magelang Regency is at this time and how is the cooperation model of the local government in developing TA with the PPP scheme based on considerations of VfM aspects as part of public services. Thus, the objectives of this research are: (1) knowing the current condition of TA in Magelang Regency; and (2) obtaining an overview of the local government cooperation model in the development of TA with the PPP scheme. ([Mardiasmo, 2018](#))

## **METHOD**

This research is a descriptive qualitative case study, to describe, summarize various conditions, various situations, or various phenomena of social reality that exist in the community that is the object of research and attempt to draw the reality to the surface as a model or a particular phenomenon. The authors' design research begins with determining the phenomena associated with the problem and research objectives. In the next step, the author compiles a concept to go into the field which is then followed up by making direct observations to the TA in Magelang Regency. The data obtained from observations and interviews as well as from other sources are then processed to be able to provide an overview of the situation of TA conditions in Magelang Regency and determine policy proposals in the context of developing TA as the objectives set in this study. This research was carried out with a period between August 2018 and July 2019.

The data in this study were obtained by semi-structured interviews conducted with managers at TA who had the authority to provide explanations, both the management itself (chairman, secretary, treasurer) as well as the daily operational section serving the community, including serving the community and the needs of information. The questions asked broadly to include the profile of TA, the profile of TA managers, management, and institutions, financial aspects of TA, strengths and weaknesses/weaknesses of TA, TA development plans, and other aspects that support the objectives of this research. The data validity technique used is the triangulation technique, where checking the validity of the data utilizes other information for checking or comparing the data ([Moleong, 2018](#)).

## **RESULTS AND DISCUSSION**

### **Conditions of Tourist Attractions in Magelang Regency**

Magelang Regency has the Borobudur Temple, which is the mainstay of the Central Java Province and as a world heritage, currently receiving protection from the United Nations Educational, Scientific and Cultural Organization (UNESCO). Besides Borobudur, Magelang Regency has other temples including Selogriyo, Mendut, Lumbung, Pawon, Canggal or Gunungwukir, Ngawen, Gunungsari, Asu e, and Pendem. Between Borobudur Temple and Mendut Temple, there is 1 museum, namely the Haji Widayat Art Museum. Magelang Regency also has several natural TA including Mount Merapi, Mount Merbabu, and several mountains and other hills that surround it. There are also Kedung Kayang waterfalls, Silawe waterfalls, Umbul temple hot springs, and Sekar Langit waterfalls. The existing artificial TA includes the Ketep Pass, the Babadan Viewpoint, and the Kalibening Payaman Swimming Pool. Kali Progo and Kali Elo are also often used as rafting tours. Some religious TA includes the Sunan Geseng Tomb, Kyai Condrogeni's Tomb, Prince Diponegoro's Great Langgar, and Raden Santri's Tomb. Cultural arts and crafts are such as traditional arts, interior and furniture crafts, souvenir crafts, and culinary arts.

Regional income in the tourism sector is still minimal. It only comes from regional user fees. Meanwhile, non-retribution tourism revenue is also minimal. The average income and visitors of each TA is still not optimal, except for Ketep Pass. As a result, the development of the tourism sector is less than optimal. This was explained by the Head of the Magelang Regency Disparpora,

Iwan Sutiarmo (on July 8, 2018), where the average length of staying for tourists is only 2-3 hours causing the tourism sector to be underdeveloped (Ferri, 2018). When it attracts tourists to stay longer, it is hoped the tourism sector can contribute significantly to regional income. The existence of TA other than Borobudur Temple has not been able to attract general tourists to visit the TA. Meanwhile, most TA does not have a tourism revenue target. In general, the description of the income per month of TA in Magelang Regency is as follows: (1) income above Rp. 100 million is such as Ketep Pass, Paradise Bali Rafting, and Punthuk Setumbu; (2) income between IDR 51-100 million is such as Bukit Rhema and Candirejo Tourism Village; and (3) income between IDR 20-50 million is such as Taman Ramadhanu, Mina Wisata Village, and Tubing Tuk Gong Adventure.

Meanwhile, there are still many TA in Magelang Regency which earns less than Rp. 20 million per month, which in turn causes limited funding for DTWs to carry out maintenance and even development. The description of the number of visitors per month in Magelang Regency is as follows: (1) visitors above 10,000 people are in Ketep Pass, Taman Ramadhanu, and the Tomb of Kyai Romo Siroj; (2) visitors between 5,000-10,000 people are in Rhema Hill, Wanurejo Tourism Village, Sunan Geseng Tomb, Top Selfi Kragilan, and Paradise Bali Rafting; (3) visitors between 1,000-4,999 people are in Telomoyo Peak, Punthuk Setumbu, Sleker Asri Hill, Pawon Temple, Sekar Langit Waterfall, Mina Wisata Village, Kyai Nur Muhammad's Tomb, and Tubing Tuk Gong Adventure; and (4) visitors below 1,000 people are in Asu Temple, Umbul Temple Warm Water Bath, Silawe Waterfall, Bleder Lake, and many more TAs in Magelang Regency which still have minimal in visitors.

The natural conditions in Magelang Regency can be the main capital in developing tourism potential. Based on the data obtained in this study, some of the advantages of TA are: (1) the natural beauty of the mountains, hills, valleys, waterfalls, campgrounds, and the expanse of green scenery of pine forests make Magelang Regency a cool and comfortable air; (2) some rivers are challenging but still comfortable for rafting, namely the Progo River and Elo River, or several tributaries that can be used for tubing such as at Candimulyo, Mungkid, or Sawangan; (3) there are many temples with a smaller size compared to Borobudur Temple which is located in several sub-districts; (4) various forms of unique historical heritage buildings, which are second to none, such as the Rhema hill Gereja Ayam Church; (5) there are several graves of elderly clerics who are the destination for visitors to make pilgrimages; (6) in general, Magelang Regency is located in a strategic zone between Jogja-Semarang-Solo, making it easy to reach from these big cities; (7) the conducive, dynamic and active community of Magelang Regency encourages arts and culture to develop and participate in creating the existence of tourist villages, along with various and quality agricultural and plantation products such as Sawangan rice, Candimulyo durian, Salaman rambutan, and Vegetables of Ngablak and Pakis.

Weaknesses that exist in the TA of Magelang Regency at this time in general include: (1) the environment and facilities are still poorly maintained within the scope of TA; (2) the promotions carried out by the race are still limited both in terms of quantity and quality; (3) the lack of the number of employees/managers, and low level of employee welfare; (4) the road access to several TAs is not yet comfortable, especially to go to the mountains or hills, with winding road conditions accompanied by inclines and derivatives with poor asphalt quality, which makes visitors uncomfortable to pass through; (5) during the rainy season, some TA is often shrouded in fog so that visitors cannot enjoy the scenery more optimally. In addition, the rainy season makes the roads slippery, prone to landslides, and the air is very cold; (6) some TA is located a bit far from the main road, which makes visitors less interested in visiting these TA; (7) the existence of other temples besides Borobudur Temple, which is much smaller also has a fairly narrow tourist area, which is around 1-5 km<sup>2</sup>, so that it takes only a few minutes to enjoy it; (8)

the development of the temple area is also not maximized with conditions that are still very simple; (9) TA supporting facilities are still lacking such as resting areas, bathrooms, places of worship, as well as additional play areas for children; (10) parking lots are generally also not well managed or maintained; (11) several TA with unclear institutional status of their management is not optimal; (12) limited funds for the maintenance and development of the TA make the environmental conditions uncomfortable for visitors to linger at location; (13) the lack of communities around TA who are generally incompetent in foreign language or English which makes tourists difficult to communicate.

The expected development in the context of developing TA in Magelang Regency is mainly the provision of facilities as mentioned above to complement the existence of TA to attract more visitors. In addition, increasing creativity/innovation related to the development of TA support facilities such as the addition of playgrounds or unique and interesting photo spots. Increasing promotion is also needed to wider the community to understand more about the existence of the TA and is interested in visiting the TA. What is clear is that the access road to the TA must be improved a lot so that visitors feel comfortable going to all the TA in Magelang Regency.

In developed countries, PPP has been implemented even some government affairs are carried out by the private sector, where the government directs through regulations and exercises control. In this case, the government is the director, and not the custodian, meaning that the government establishes regulations and supervises it, while the implementer is the private sector. Several PPP partnerships schemes, namely: (1) service Contracts, in this case, the private sector carries out special tasks determined by the government, generally with a short period of 1-3 years, such as maintenance, repair, or other services with compensation; (2) management contract, in this case, the government hands over the management of certain infrastructure or general public services as a whole to the private sector, generally with a longer period of between 3-8 years, with fixed compensation; (3) lease contract, in this case, the private sector pays a rent/fixed fee for the use of public facilities while generally between 5-15 years, operates, manages, and maintains, with payment from the community using the facility, and the tenant/private assumes the risk; (4) build-Operate-Transfer (BOT) contracts, namely contracts between the government and PC/private sector, generally between 10-30 years, in this case, the PC is responsible for the final design, funding, construction, operation, and maintenance (O&M) infrastructure investment, and at the end of the contract period there is a transfer of assets; and (5) concession Contracts, in this case, the government assigns responsibility to the private sector, generally between 20-35 years, to operate, maintain, build infrastructure, and also build, develop, and operate new facilities to support the growth of the business.

The private and public sectors need to adopt an efficient risk allocation approach to experience a more effective agreement arbitration process and to reduce the emergence of disputes during the concession period. Objectives are developed according to their function to minimize the total project time and cost and maximize quality while meeting the risk threshold ([Alireza et al., 2014](#)). It is necessary to develop a methodology in making the decision-making process to be more systematic and practical related to risk management of both sectors (government and private) whose results should help public clients to establish an efficient risk allocation (RA) strategy to achieve RA acceptable together with the private sector ([Ameyaw & Chan, 2015](#)). These findings can help project stakeholders to improve the efficiency of privatization in public utility services and provide private investors with better understanding when they participate in PPP schemes.

The main concepts of VfM include (1) economy, namely the acquisition of inputs with a certain quantity and quality at the lowest price, (2) efficiency, namely achieving maximum output with certain inputs, or achieving certain outputs with the lowest use of inputs, (3) effectiveness, namely achievement of the results of activities with the targets that have been set. VfM rewards

value for money so thus, every rupiah must be properly valued and used properly ([Mahmudi, 2007](#)). VfM needs to consider the role of qualitative factors in making the final decision in implementing PPP. In Malaysia, the indicators used in assessing PPP performance as the top three important performance indicators for financing and market are operating costs, construction costs and construction time, while the top three important performance indicators for innovation and learning are: technological innovation, employee training, and financial innovation ([Mohamad et al., 2018](#)). In the end, the PPP project will be transferred back to the government after the concession period ends by taking into account the Residual Value Risk (RVR), which is the risk value when the project returns to the public sector (Yuan et al., 2015). The Master Plan for Tourism Development of Magelang Regency for 2014-2034 is stated in the Regional Regulation of Magelang Regency No. 4 of 2015 in Article 13, describes that the Development of Regional Tourism Strategic Areas is carried out in an integrated and synergic manner between the Central, Provincial, Regional Governments, communities and business actors. Furthermore, Article 22 states that improving the quality that encourages the growth and competitiveness of Tourism Strategic Areas can be carried out, among others, through a partnership scheme between the Regional Government and business actors. Optimization of tourism organizations of business actors and the community is carried out by increasing the role of business actors in accelerating tourism development through cooperation between business actors and the government. This is a consideration and the basis for regulations regarding the need for partnerships between the government and business actors.

### **Tourism Development Cooperation Model with PPP Scheme**

In public procurement, PPP has the potential to provide the highest benefit where the uncertainty about what may occur during operations can be informed to the parties so that an efficient risk allocation can be achieved. It also demonstrates the suitability of PPP for traditional services. However, it is easier to predict the possibilities that may arise during operations after services have been contracted out to the private sector, thus information asymmetry can be reduced, so the improvements in contracting and PPP performance should be observed over time (Iossa Martimort).

The limitations of the Regional Revenue and Expenditure Budget in financing infrastructure development create a funding gap. On the other hand, the level of risk is the main obstacle for PPP. So, the government needs to provide facilities in PPP which can be in the form of support, payment for services, guarantees, and/or incentives in taxation. The government can provide support in the form of the Viability Gap Fund (VGF), namely funds from the government provided in PPP projects to improve the project's financial feasibility, which can reduce the cost of infrastructure project construction, thereby increasing the rate of return on investment. An examination of procedural and organizational arrangements from a comparative perspective (Liu Wilkinson) found that, for a successful PPP, the following are essential namely the development of sound business cases, sizing and lean bidding processes, local private sector partners and efficient finance, broad stakeholder engagement, and effective governance and improved organizational structures and partnerships. The following is a description of the implementation of PPP in other areas obtained from several studies that have been carried out: (1) in Makassar City ([Mahsyar, 2015](#)) that the Makassar City Government's partnership policy with PT Tosan Permai Lestari in managing local government assets has a positive impact. The collaboration is carried out using an outsourcing model in which the private sector has the right to manage and all rights and obligations to manage the facilities, utilize them, maintains order and security, for 30 years. After the completion of the contract period, all facilities and facilities are handed over by the private sector to the Makassar City Government; (2) in Sweden ([Bjärstig & Sandström,](#)

2017) PPPs have become a popular tool for regulating rural development. PPP is seen as a significant solution to increase the effectiveness and legitimacy of sustainable rural governance in terms of participation and accountability; (3) in Surabaya ([Irsyad et al., 2017](#)) the implementation of strategies in tourism development requires four development programs, namely: tourist attractions, infrastructure, marketing, and partnerships. Thus, the 5 pillars of cooperation are needed, namely government, private sector, media, academia, and society; (4) in Surabaya ([Widianto, 2018](#)) that to improve the implementation of PPP cooperation between the Surabaya City government and PT Sasana Taruna Aneka Ria, using the BOT agreement system, clear regulations must be made; (5) in Bali ([Tukuboya et al., 2018](#)) limited funding for achieving targets for infrastructure development, especially the security infrastructure for Candidasa Beach, makes PPP alternative financing that can be done; (6) in the city of Bandung ([Ismowati, 2016](#)) that the city of Bandung can implement PPP with several things that need to be considered, namely cooperation is strategically important for both parties, complements each other, is open to information on both parties and must bring true integration even though it's a different culture. The main thing is mutual trust. The form of PPP can be in the form of a Lease Contract, Service Contract, BOT Contract, or Build, Manage and Transfer of Ownership; (7) in Semarang ([Setyawati & Purnaweni, 2018](#)), the partnership between the City Government and PT. Narpati in waste management at the Jatibarang TPA has been running for 25 years since 2007, but the implementation of this partnership policy has not gone well or in the policy process, where PT. Narpati did not fulfil his obligation to pay contributions, but in this partnership, the Government needed more assistance. PT. Narpati; (8) in Bintan ([Akbar & Ikhsan, 2019](#)) that the partnership between PT Bintan Resort Cakrawala and the Tourism Awareness Group in the PPP approach is a partnership between the private sector and the community using a collaborative dynamics partnership design which is more oriented towards community empowerment as a solution for innovation development, creativity for this creative tourism industry; (9) in Sumenep ([Kriswibowo et al., 2020](#)). The application of the PPP model in the construction of the first three-star hotel project in Sumenep brings benefits to the government, namely, it can increase revenue from the tourism sector whose results can also be felt by the community. The private sector also benefits financially as long as the hotel operates.

The minimum requirements need to be regulated in the cooperation agreement are based on Presidential Regulation Number 38 of 2015 concerning Government Cooperation with Business Entities in Infrastructure Provision absolutely must be fulfilled ([Bisthomi et al., 2016](#)). If there are obstacles that arise during the implementation period of the agreement, they can be overcome with government support/guarantees so that the government can intervene to overcome the obstacles experienced by investors with an agreement between the parties.

The results of the acquisition of research data above provide a general description that for the development and construction of TA, the Government and the community can cooperate with the private sector through the PPP scheme with a model that can be taken into consideration, as follows:

1. **TA is a temple/cultural heritage.** The model of cooperation that can be done is with a concession contract. This refers to the management of Borobudur Temple, where cultural heritage in the form of temples will be preserved, the surrounding environment is built and developed, and the economy of the surrounding community can be improved.
2. **TA in the form of tourist villages, natural beauty, hills, and punthuk.** The model of cooperation that can be done is with a management contract. This provides flexibility for the management of TA and the private sector in developing the existence and condition of TA and the surrounding community.

3. **TA in the form of artificial objects.** The model of cooperation that can be done is with a service contract. This refers to the needs of each TA to develop so that the expected needs and goals can be achieved.

The form of cooperation offered above illustrates that the government can initiate a PPP and conduct an assessment first with the private sector. In this collaboration, the government allocates a budget in the form of facilitation of funds/assistance/investment from the Regional Revenue and Expenditure Budget/Village Revenue and Expenditure Budget, based on PP no. 1 of 2008 concerning Government Investment Article 27, because, in the end, all assets will belong to the government. The regulations set at the district government level are carefully prepared so that the objectives of TA development and community development can be realized.

The flow of cooperation is followed by a cooperation agreement between the local government and the private sector involving the sub-district government or local village government. Several considerations that must be considered in the cooperation agreement are the development of the TA, the welfare of the community around the TA, and prioritizing environmental sustainability. Other conditions that can be submitted in the regulation of the cooperation agreement are as follows: (1) involve the residents in constructing TA, for example as construction workers; (2) involve the residents in the operational use and management of TA, for example as employees, staff, and security personnel. Provide space for at least 10 per cent of the TA area for community economic activities, for example in the form of selling; and (3) contribute in a certain agreed amount to the Government, which can be in the form of PAD contributions or village cash.

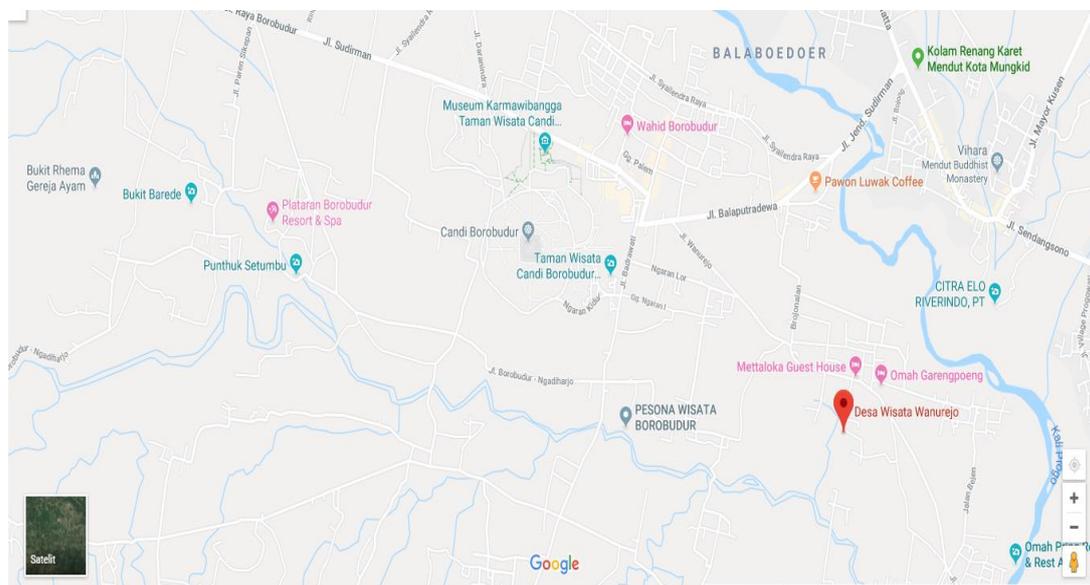
PPP can be implemented as long as the VfM value meets the specified criteria. VfM includes the assessment of efficiency ratios, effectiveness ratios, and economic ratios (Arizona, 2010). Economic Ratio describes the comparison of real expenditure with budgeted expenditure and is said to be economic if the ratio value is  $< 100$  per cent. The lower the economic ratio indicates the better ability. Efficiency Ratio describes the comparison of real expenditure with real income and is categorized as efficient if the ratio value is  $< 100$  per cent. The lower the efficiency ratio indicates better ability. The Effectiveness Ratio describes the comparison of real income with budgeted income and is categorized as effective if the ratio value is  $> 100$  per cent. The higher the effectiveness ratio is, the better the ability of the region to realize its income.

At the PPP implementation stage, the private sector can entrust the process to competent parties according to their respective fields, both for construction and management. Furthermore, the contract/cooperation agreement can at least take into account the following: (1) entrance fee/retribution fee that can be collected; (2) target number of users/visitors; (3) the desired and agreed margin/profit can be obtained by the private sector; (4) the amount of investment/assistance/funds facilitated/provided by the government; (5) estimated inflation rate; and (6) the period of cooperation.

The private sector can consider whether the proposal for cooperation with the PPP scheme is feasible or not. By using a feasibility analysis, namely Benefit-Cost Ratio (BCR) and payback period. The value of the payback period feasibility analysis shows the minimum period for the private sector to be able to get a return on their capital. Meanwhile, new benefits will be received after the period/time of determining the payback period. This is important to know together so that each party working together in this PPP scheme can know each other's position, not seek each other's profit, and understand the risks and conditions that surround it. Thus, it is hoped that this PPP in its implementation will run well and smoothly, without any significant obstacles with optimal results for all parties, especially with the existence of better services to the community.

The development of TA around Borobudur Temple can be arranged by involving various TA in the Magelang Regency area as the tourist can visit and enjoy. Moreover, the wider community

has become more aware that Borobudur Temple is located in the Magelang Regency area with various kinds of DTW that surround it, and not in the Yogyakarta area. The following is a picture of DTW in the tourist area of Borobudur Temple and its surroundings.



Source: Google Map

Figure 1. Tourist Attractions around Borobudur Temple

Figure 1 shows that there are many DTWs around the Borobudur Temple. The existence of DTW around the temple still needs to be developed. So, the visiting period of tourists in is not only to Borobudur Temple but can linger by staying in the Magelang Regency area to be able to enjoy the existence of the TA. Furthermore, with the increase in tourist visits, it is expected to increase the income of the surrounding community and the regional income of the Magelang Regency.

## CONCLUSION

The results of this study provide an overview both to local governments and managers of TA in Magelang Regency about the alternative development and management of TA with the PPP scheme. The conclusions in this study are: (1) The development of TA in Magelang Regency has not been optimal where the existence of TA in Magelang Regency has not been able to attract tourists to linger in Magelang Regency. So, it has not been able to provide maximum contribution to regional income; AND (2) The PPP scheme model can be applied in the context of developing TA in the Magelang Regency and needs to be adjusted to the development needs of each TA.

Further research needs to analyze in more detail what will be developed at TA and how much funding is required. The suggestion put forward is that the Regional Government need to establish cooperation with the private sector with the PPP scheme following the model and regulations according to the needs of the development of TA in Magelang Regency. Thus, it is hoped that it can encourage tourists to stay longer in Magelang Regency by enjoying other TA.

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