

Responsibility of the Entrepreneurial Association for Micro, Small and Medium Enterprises on Car Free Day in Cilegon City

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Article info

Received: March 12, 2025

Revised: Jul 10, 2025

Accepted: Ags 11, 2025

DOI: <https://doi.org/10.31599/krtha.v19i2.3772>

Abstract : *Paguyuban Wirausaha Cilegon is an association that oversees Micro, Small and Medium Enterprises activities that focus on the car free day activity area. This study aims to determine the utilization and development as well as legal responsibility for Micro, Small and Medium Enterprises located in the car free day area. This study uses a qualitative method with an empirical legal approach. Primary data sources come from Paguyuban Wirausaha Cilegon while secondary data comes from books, journals, encyclopedias, dictionaries, and virtual sources. while data analysis uses analytical descriptive, The results of this study indicate that the utilization and development of Micro, Small and Medium Enterprises in the car free day area can be done by making visitors more interested in coming to the car free day area by providing music facilities, facilities for blood donors, health checks and so on which aim to provide comfort and good benefits for the community, as well as development in marketing, Micro, Small and Medium Enterprises have carried out marketing online, by pre-ordering products, and the legal responsibility carried out by the Cilegon Entrepreneurial Association for Micro, Small and Medium Enterprise products can be done by registering employment, Business Identification Number, Halal certificate, BPOM, and intellectual property.*

Keywords : *Pawon, Msmes, Car Free Day*

Abstrak : Paguyuban Wirausaha Cilegon merupakan paguyuban yang menaungi kegiatan Usaha Mikro Kecil Menengah yang berfokus di area kegiatan *car free day*. Penelitian ini bertujuan untuk mengetahui pemanfaatan dan pengembangan serta tanggung jawab hukum atas para Usaha Mikro Kecil Menengah yang berada di area *car free day*. Penelitian ini menggunakan metode kualitatif dengan pendekatan yuridis empiris, Sumber data primer berasal dari Paguyuban Wirausaha Cilegon sedangkan data sekunder berasal dari buku, jurnal, ensiklopedia, kamus, dan sumber virtual. sedangkan analisa data menggunakan deskriptif analitis, Hasil penelitian ini menunjukkan pemanfaatan serta pengembangan para Usaha Mikro Kecil Menengah di area *car free day* dapat dilakukan dengan cara membuat pengunjung lebih tertarik untuk datang ke area *car free day* dengan pengadaan sarana musik, sarana untuk donor darah, cek kesehatan dan sebagainya yang bertujuan untuk memberikan kenyamanan serta manfaat yang baik bagi masyarakat, serta pengembangan dalam pemasaran, para Usaha Mikro Kecil Menengah sudah melakukan pemasaran secara online, dengan melakukan *pre-order* produk, dan tanggung jawab hukum yang dilakukan oleh Paguyuban Wirausaha Cilegon atas produk Usaha Mikro Kecil



Menengah dapat dilakukan dengan cara pendaftaran ketenagakerjaan, Nomor Induk Berusaha, sertifikat Halal, BPOM, dan kekayaan intelektual..

Kata kunci : Pawon, Umkm, *Car Free Day*

I. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are important for the national economy, especially in increasing productivity and creating jobs, so that it has an impact on increasing people's income. The role of Micro, Small and Medium Enterprises (MSMEs) can encourage inclusive and sustainable economic growth. Therefore, developing Micro, Small and Medium Enterprises (MSMEs) and making them the backbone of the community will have a direct impact on economic stability and independence.

The majority of people in the car free day area run Micro, Small and Medium Enterprises (MSMEs) engaged in food and beverages. Micro, Small and Medium Enterprises (MSMEs) are businesses run by individuals or groups that are not affiliated with a larger business scale, Micro, Small and Medium Enterprises (MSMEs) require a space that allows meetings with consumers so that there is an increase in the number of sales transactions.¹

As the most important part of the national economy, Micro, Small and Medium Enterprises (MSMEs) need to maintain consistency in improving the quality and added value of products so that they have good competitiveness. In the face of digitalization developments, Micro, Small and Medium Enterprises (MSMEs) need to be more creative, innovative, and adaptive, such as expanding market access and product supply networks to continue to follow market trends. In addition, Micro, Small and Medium Enterprises (MSMEs) must also synergize with government institutions in creating effective and efficient policies in encouraging market expansion, growing public demand in order to love local products, and making Micro, Small and Medium Enterprises (MSMEs) an inspiration in national economic growth.

Micro, Small and Medium Enterprises (MSMEs) in the city of Cilegon have an important role in the Indonesian economy, Cilegon City has great potential in the Micro, Small and Medium Enterprises (MSMEs) sector, there is an increase in the number of Micro, Small and Medium Enterprises (MSMEs) in the Cilegon city area from year to year, Micro, Small and Medium Enterprises (MSMEs) on car free day in the city of Cilegon have many products that are sold both food and non-food.

As a manifestation of increasing the income of Micro, Small and Medium Enterprises (MSMEs) in big cities, there are many activities carried out, one of which is the car free day activity, this activity is an activity that is in demand by almost all people because it is a trend carried out by big cities in Indonesia.² This activity is in great demand

¹ Wimba Respatia Muhammad Reza Pahlawan, Juwita Sari, Titik Mildawati, "Car Free Day Sebagai Ajang Pemberdayaan UMKM Dalam Mendukung Agenda Pembangunan Berkelanjutan" 5 (2024): 22.

² Mohamad Zahrudin Sahri M. Hasan Syaifur Rizan, "The Role of Car Free Day as a Strategy to Increase Micro, Small, and Medium Enterprises (MSMEs) in Mojokerto," 2024, 64.

by the community by doing leisurely walks, sports, gathering with others and so on which makes Micro, Small and Medium Enterprises (MSMEs), especially in the Cilegon area, open up opportunities to sell in the area where the car free day is held, namely in the area of Jalan Kyai Haji Yasin, Beji, Kotabumi, Purwakarta, Cilegon.

Table 1 data on SMEs recorded at the Cilegon City Cooperatives and MSMEs Office

No	Business Category	Sum
1.	Micro	17.237
2.	Small Business	34
3.	Medium Enterprises	7
4.	Not Legal Entity or Individual	16.986
5.	Other Legal Entities	28
6.	Foundation	2
7.	Cooperation	1
8.	Company	7
9.	CV	2
10.	PT	26
11.	SOEs	226

From the data that the researcher has summarized, the researcher can find the number of Micro, Small and Medium Enterprises (MSMEs) in Cilegon City with a total of 34,556 members of Micro, Small and Medium Enterprises (MSMEs) in Cilegon City. Car free day is a vehicle-free day that aims to increase community interaction, create clean air from pollution temporarily, as a means of open space, sports, communication and social interaction, as well as a forum in improving the community's Micro, Small and Medium Enterprises (MSMEs) in promotional activities, food bazaars, and others.

Car free day is held every Sunday at 06.00 – 11.30 WIB with the aim of increasing social activities for the community through various activities and activities carried out during car free day. Basically, car free day activities have become the focus and attention of planners regarding how this activity can provide benefits for the community and local governments as decision-makers. Thus, it is hoped that this car free day activity will be able to improve communication and community interaction, as well as increase Micro, Small and Medium Enterprises (MSMEs), reducing people's dependence on motor vehicles.

Basically, car free day is a traffic engineering by closing several roads for a certain time, so that motorists cannot cross the road during this activity. During the activity, interaction and communication between visitors will be formed because only pedestrians are allowed to pass in the car free day area. In the car free day activity carried out in the city of Cilegon, there is a party responsible for Micro, Small and Medium Enterprises

(MSMEs) in the activity, the Cilegon Entrepreneurs Association (PAWON), based on the results of interviews with the pawon, the Cilegon Entrepreneurs Association (PAWON) was established on September 14, 2014, the Cilegon Entrepreneurs Association (PAWON) was formed from the anxiety of Micro, Small and Medium Enterprises (MSMEs) who did not have land to sell legally at that time, Micro, Small and Medium Enterprises (MSMEs) initially began to sell in the bapor area but at that time the bapor was still under the management of Krakatau Steel so it was not allowed for Micro, Small and Medium Enterprises (MSMEs) to sell or trade in bapor.³

At this time the Cilegon Entrepreneurial Association (PAWON) is led by a chairman named Iim Ibrohim, the Cilegon Entrepreneurial Association (PAWON) has 466 official members, all of whom have been registered with BPJS Ketenagakerjaan, the members of the Cilegon Entrepreneurial Association (PAWON) Most of the small traders, entrepreneurs, and fishermen, the Cilegon Entrepreneurial Association (PAWON) in the car free day has two lanes, the first of which is the A lane which is occupied for Culinary Micro, Small and Medium Enterprises (MSMEs) with a total of 250 members, and line B consists of non-culinary, clothing, and other Micro, Small and Medium Enterprises (MSMEs) consisting of 250 members.

Based on law number 33 of 2014 concerning halal product guarantee, all Micro, Small and Medium Enterprises (MSMEs) products sold must have a halal certificate from the Indonesian Ulema Council (MUI), In activities at the car free day in the city of Cilegon there are a lot of Micro, Small and Medium Enterprises (MSMEs) products sold and the most sectors are in food and beverages, Regarding halal certificates and brands, some members of the Cilegon Entrepreneurs Association (PAWON) already have halal certificates and some have also registered trademarks of their products to the Directorate General of Intellectual Property (DJKI).

Based on the results of interviews with PAWON, Micro, Small and Medium Enterprises (MSMEs) actors who are in the car free day activity area also already have a Business Identification Number (NIB) registered by Micro, Small and Medium Enterprises (MSMEs) online, related to BPOM Permits and PAWON has also advised Micro, Small and Medium Enterprises (MSMEs) to immediately register their products with the Food and Drug Supervisory Agency (BPOM), and also related to halal and brand, PAWON has provided procedures for Micro, Small and Medium Enterprises (MSMEs) who are in the car free day activity area to register immediately, in the car free day area there is also the Food and Drug Supervisory Agency (BPOM) in the form of a stand so that it can make it easier for actors Micro, Small and Medium Enterprises (MSMEs) to immediately register their products.⁴

The Cilegon Entrepreneurial Association (PAWON) in implementing car free day aims to increase micro and small businesses, increase visitors and maintain the safety of car free day visitors, there is also data in the last 5 years from the number of car free day visitors in the city of Cilegon as follows:

³ Iim Ibrohim, "Wawancara Paguyuban Wirausaha Cilegon (PAWON)" (Cilegon, 2024).

⁴ Iim Ibrohim, "Wawancara Paguyuban Wirausaha Cilegon (PAWON)" (Cilegon, 2024).

Table 2 data on car free day visitors in the last 5 years in Cilegon city

No	Year	Number of Visitors
1.	2019	4.000
2.	2020	-
3.	2021	-
4.	2022	-
5.	2023	20.321
6.	2024	25.997

From the data above, there are years that do not have visitors to car free day activities, this is because in 2020, 2021, 2022 COVID-19 hit the whole world, including Indonesia, especially Cilegon City, which resulted in the government banning all outdoor activities to be temporarily stopped, one of which is car free day activities. The Cilegon Entrepreneurs Association (PAWON) has a duty and function in car free day activities in the city of Cilegon as it provides positive encouragement in business development, sharpens ideas for Micro, Small and Medium Enterprises (MSMEs), provides social and economic support to members, prospers administrators and members, and helps strengthen social and emotional relationships between members.

II. RESEARCH METHODS

In this study, the author uses a qualitative research method, qualitative research according to Creswell is an approach to explore and understand the meaning of individuals or groups related to social or human problems.⁵ The approach method used is empirical juridical which can also be called field research, namely studying the applicable legal provisions and what happens in reality in society or in other words, research conducted on the actual conditions that occur in society with the intention of knowing and finding existing facts. This research is included in analytical descriptive research, which reveals laws and regulations related to legal theories that are the object of research.⁶

The data sources in this study are divided into three types, namely primary data, secondary data and tertiary data. The primary data is data obtained from research from the original source from the first has not been repeated and elaborated by others, primary legal materials consist of legislation, official records or minutes in making legislation and judges' decisions. Secondary data is data obtained through library materials, including, among others, official documents, books, research results in the form of reports, and so on. The tertiary data is a large Indonesian dictionary, and an encyclopedia.⁷ The data

⁵ Zimon Pereiz Utari Yolla Sundari, Ahmad Andreas Tri Panudju, Aditya Wahyu Nugraha, Febriani Purba, Yuni Erlina, Novalia Nurbaiti, Septaria Yolan Kalalinggi, Amalia Afifah, Suheria, Gabriela Elsandika, Ricky Yunisar Setiawan, Lina Alfiani, Research Methodology, ed. Suhardi Asosiat (CV. Gita Lentera, 2024).

⁶ Putri Pratama AyuNingsih, Hasuri "Responsibilities of Witness and Victim Protection Institutions in Legal Protection of Whistle Blower and Justice Collaborator," *Krtha Bhayangkara* 19, No.1 (2025): 35–36.

⁷ Peter Mahmud Marzuki, *Penelitian Hukum* (Surabaya, 2022).

analysis used in this study is analytical descriptive data analysis, which is an analysis carried out by understanding and assembling primary data (interviews) and secondary data (books, legal journals, articles and so on) that have been collected systematically so that from the data an overview of the problems being studied is obtained.

III. DISCUSSION

Utilization and Development of the Cilegon Entrepreneurial Association (PAWON) in the Context of Increasing Micro, Small and Medium Enterprises (MSMEs) for National Economic Growth in Cilegon City

Cilegon City is a city located in the province of Banten with a population that is recorded at the Directorate General of Population and Civil Registration (Dukcapil) showing that it will reach 476.87 thousand people in 2024,⁸ Cilegon City is known as the steel city nicknamed as the Steel City is also embedded because the largest steel manufacturing industry in Southeast Asia, PT Krakatau Steel is indeed located in this city. Cilegon, which was previously known as an agrarian area, has changed since the establishment of the Steel Factory to become a new chapter for the industrial era in Cilegon. The development of the steel industry in Cilegon also has an impact on other sectors, such as trade, services, and the increasing population. The nickname of the City of Steel is also confirmed by the existence of a landmark called Tugu Baja Cilegon which is located at the intersection of SA road. Tirtayasa. The Cilegon Steel Monument which has a height of 25 meters is easy to find if tourists come to visit Cilegon City. The unique shape of the monument designed by Wira Niaga Sejahtera turns out to hold a meaning about how Cilegon City stands and develops.⁹

In order to utilize Micro, Small and Medium Enterprises (MSMEs), it is necessary to carry out a business strategy, business strategy is along-term plan designed to achieve certain business goals by using existing resources efficiently and effectively. This strategy includes various elements, such as resource management, marketing, production, finance, and human resource management, all of which work simultaneously to achieve the company's vision and mission. However, despite its positive contribution, Micro, Small and Medium Enterprises (MSMEs) still face various challenges that need to be overcome. One of the main challenges faced by Micro, Small and Medium Enterprises (MSMEs) is limited access to capital. Many Micro, Small and Medium Enterprises (MSMEs), especially those located in remote or rural areas, have difficulty getting access to sufficient capital to develop their businesses. This is the main obstacle in increasing the scale and competitiveness of Micro, Small and Medium Enterprises (MSMEs) in the market. In addition, the lack of supporting infrastructure is also a serious obstacle for Micro, Small and Medium Enterprises (MSMEs). Inadequate infrastructure, such as limited access to electricity, damaged roads, and lack of internet access, hinders the ability of Micro, Small and Medium Enterprises (MSMEs) to operate efficiently and effectively. This also affects the access of Micro, Small and Medium Enterprises (MSMEs) to the market and the distribution of their products. Furthermore, obstacles in product marketing and

⁸ Agus Dwi Darmawan, "Data 2024: Jumlah Penduduk Kota Cilegon," <https://databoks.katadata.co.id>, 2024.

⁹ Puspasari Setyaningrum, "Mengapa Cilegon Dijuluki Kota Baja," regional.kompas.com, 2023.

distribution are also a significant challenge for Micro, Small and Medium Enterprises (MSMEs).

Many Micro, Small and Medium Enterprises (MSMEs) have limitations in terms of marketing strategies and access to effective distribution channels. Most Micro, Small and Medium Enterprises (MSMEs) are still dependent on the local market, and it is difficult for them to expand their market reach to the national or international level. The challenges faced by Micro, Small, and Medium Enterprises (MSMEs) in Indonesia require the involvement of all relevant parties, including the government, business institutions, and the general public. One of the main challenges is related to innovation and technology. Micro, Small and Medium Enterprises (MSMEs) need to adopt modern technology to improve their operational efficiency and competitiveness in an increasingly competitive global market. In addition, digital literacy is the key to understanding and utilizing technology effectively. Micro, Small and Medium Enterprises (MSMEs) need to be provided with mentoring and training to improve their understanding of digital technology and its use in their business.

Business strategy is the basis for every decision taken in a company. By having a good strategy, companies can:

1. Define clear direction and goals
2. Optimize the use of limited resources
3. Face competition more effectively
4. Minimizing risk and managing market changes
5. Increases the chances of long-term success

In the city of Cilegon, there is a development strategy for Micro, Small and Medium Enterprises (MSMEs) by providing land legally and based on the existing decree for Micro, Small and Medium Enterprises (MSMEs), which is located in the area of Jalan Kyai Haji Yasin, Beji, Kotabumi, Purwakarta, Cilegon, these Small and Medium Business actors gathered to form a group called the Cilegon Entrepreneurial Association (PAWON) which currently focuses on everything that related to Micro, Small and Medium Enterprises (MSMEs) who are in the car free day activity area.

Micro, Small and Medium Enterprises in Cilegon City are not only the sector with the largest number of companies, but also the sector that absorbs the most labor. Seeing the large contribution of Micro, Small and Medium Enterprises in the regional economy, the Cilegon City government continues to strive to improve the welfare of the community through the provision of various business opportunities in the field of Micro, Small and Medium Enterprises. However, these businesses still face obstacles, both caused by factors that affect the development, especially Micro, Small and Medium Enterprises in the car free day, such as factors that come from the Micro, Small and Medium Enterprises themselves, such as; limited capital and lack of skilled labor. Other factors are related to government regulations, competition, technological and information developments, and the lack of guidance carried out by agencies and other related parties. In addition to the above, Micro, Small and Medium Enterprises are also still facing various problems related to the business climate such as; (a) the amount of transaction fees, the length of the licensing process and the occurrence of various levies; and (b) unhealthy business practices. In addition, regional autonomy, which is expected to be able to accelerate the

growth of a business climate that is conducive to Micro, Small and Medium Enterprises, has not shown even progress.

In overcoming problems related to Micro, Small and Medium Enterprises owners, the Cilegon City government has provided MSME business actors to receive training and capital assistance in order to develop the spirit of Micro, Small and Medium Enterprises in the city of Cilegon, the Cilegon city government said that the role of small entrepreneurs is needed for economic growth in the region. Small entrepreneurs play a very important role in growing economic development both nationally and regionally and also play a role in absorbing labor, so they can reduce the number of unemployed. The government hopes that with this financing assistance, Micro, Small and Medium Enterprises in the city of Cilegon will continue to run their businesses and can arouse the enthusiasm of business actors.¹⁰

The Cilegon Entrepreneurs Association (PAWON) was formed through the anxiety of Small and Medium Enterprises who in 2014 were selling around the Bapor area where the area was an area owned by Krakatau Steel, because Krakatau Steel at that time was not willing for Small and Medium Enterprises to sell in their area, the Small and Medium Business actors asked for a solution to the mayor of Cilegon to be given land to sell so that Small and Medium Enterprises could sell with safe and comfortable, after which the mayor of Cilegon provided a solution by issuing a decree in the area of the car free day activity which was used as a place for Small and Medium Enterprises to sell.

In the practice of utilization and development, the Cilegon Entrepreneurs Association (PAWON) provides space for Micro, Small and Medium Enterprises (MSMEs) to sell their products in the car free day activity area by registering members to become members of the Cilegon Entrepreneurs Association, the main condition given by PAWON to Small and Medium Enterprises who want to join, namely domiciled in the city of Cilegon. Because the area granted a permit by the government is limited, the Cilegon Entrepreneurs Association (PAWON) provides utilization to Small and Medium Business actors in the way that Small and Medium Enterprises who want to register their business with the Cilegon Entrepreneurs Association are accommodated first, because the limited area of the Cilegon Entrepreneurs Association (PAWON) cannot give to all Small and Medium Enterprises that register as members to get business land at that time, So the way to do it is to accommodate first, and at the end of every year the Cilegon Entrepreneurs Association (PAWON) always asks the Micro, Small and Medium Enterprises (MSMEs) who are already members whether they want to continue to be members or not, if there are members who decide to stop being members, then the place or land owned by the previous members is given to Small and Medium Enterprises that have been registered at that time.¹¹

In carrying out its utilization and development, the Cilegon Entrepreneurs Association (PAWON) cannot be separated from the existing obstacles, one of which is

¹⁰ Sulasno, Lolitawati, and Putri Pratama Ayu Ningsih, "Pengembangan Produk Usaha Mikro Kecil Menengah Dan Kekayaan Intelektual Atas Batik Di Sanggar Batik Krakatoa Kota Cilegon," *Jurnal Hak: Kajian Hukum Administrasi Dan Komunikasi* 1, no. 2 (2024): 121–44, <https://doi.org/https://doi.org10.30656/jhak.v1i2.8066>.

¹¹ Ibrohim, "Wawancara Paguyuban Wirausaha Cilegon (PAWON)."

the obstacles during the COVID-19 outbreak that hit the whole world, one of which is the State of Indonesia and especially the Cilegon city area, COVID-19 has caused all business sectors to decline and the most affected are Micro, Small and Medium Enterprises (MSMEs). When COVID-19 entered the Cilegon city area, all activities carried out at the car free day event were temporarily closed, which caused Micro, Small and Medium Enterprises (MSMEs) in the car free day area to be unable to sell and experienced a decrease in turnover and not a few Micro, Small and Medium Enterprises (MSMEs) experienced bankruptcy so that they closed their businesses due to COVID-19 that hit the city of Cilegon for quite a long time.

According to the findings of interviews with business actors at the car free day activity, the reason they sell is because the car free day is crowded with buyers, providing economic income opportunities for business actors. Seeing business opportunities in car free day activities, business actors are required to find a location to sell, because before selling in car free day activities, the organizers will ask where the location will be chosen by business actors to sell, because traders are strictly prohibited from covering or occupying the location of other traders during the activity. For the issue of selling locations, it has been arranged about the location for business actors with location points in the West and in the North where the location has been arranged.

With various parties, car free day activities regarding location placement that the location has been determined by the government which is regulated in the Decree and for the location can be searched by car free day business actors themselves and then in the data by Paguyuban officers. The implementation of the car free day activity will definitely have a great influence on Micro, Small and Medium Enterprises (MSMEs) actors, this is because many people contribute to these activities, therefore there are greater opportunities for Micro, Small and Medium Enterprises (MSMEs) to be able to take advantage of these activities in helping the economy and their welfare. The existence of this car free day activity can provide great benefits, especially for Micro, Small and Medium Enterprises (MSMEs) business actors, which in the car free day activity organized by the government in 2014, which has been going on for a long time until now. In this activity, the Cilegon city government gave land to business actors to be occupied as a location to sell on car free day activities. This is not wasted by Micro, Small and Medium Enterprises (MSMEs) in the city of Cilegon, they are trying to be able to take advantage of the opportunity to be able to sell in these activities.

The car free day activity has been held for many Micro, Small and Medium Enterprises (MSMEs) who can sell at the car free day activity, many business actors feel the impact of holding the car free day activity which takes place once a week, starting from their income which has increased many times compared to normal days and customers who are increasing every week.¹² In carrying out these economic activities, it is hoped that Micro, Small and Medium Enterprises (MSMEs) have a strategy, a strategy on how to utilize and develop their products, namely in the form of innovation for the

¹² Fuad Ali Hasan, "Pemanfaatan Kegiatan Car Free Day (CFD) Dalam Meningkatkan Pertumbuhan Perekonomian Dan Kesejahteraan Pelaku Usaha Mikro Kecil Dan Menengah (UMKM) Di Kabupaten Bondowoso" (Universitas Islam Negeri Kiai Haji Achmad Siddiq, 2023).

products they produce by adding food and beverage variants or adding brand labels to the products that are marketed in order to add attractive value from the product so that buyers are more interested in the products produced by Micro, Small and Medium Enterprises (MSMEs). In order to utilize and develop, innovations are needed, innovations include when viewed from the product the need for a logo or brand of the product and the need for innovation by adding flavor variants or other food and beverage variants, seen from the social side, seen from the technology side by utilizing social media as a means of sales, namely by promoting on social media or pre-ordering.

No less important is seen from the economic, social and technological sides, namely about legal protection for products produced by Micro, Small and Medium Enterprises (MSMEs). The legal protection is in the form of halal certification, BPOM, and no less important in terms of intellectual property, namely by registering the brand of the product resulting from the Micro, Small and Medium Enterprises (MSMEs). Micro, Small and Medium Enterprises (MSMEs) who have registered their products to get halal certificates, BPOM, NIB, or register their products to get legal protection in terms of intellectual property in the form of brands should get rewards from the relevant government.

Rewards are rewards for good contributions and positive values given by employees, in tangible or intangible form. Providing the right rewards can be used as a source of motivation for employees to increase their productivity and performance. Rewards function to increase employee motivation to achieve work achievements, provide recognition for one's abilities, and are universal. Ivancevich et al have grouped the types of rewards into two, namely extrinsic rewards (financial and non-financial rewards), intrinsic rewards (completion, achievement, autonomy, personal growth).¹³

Legal Responsibility of the Cilegon Entrepreneurs Association (PAWON) Towards Micro, Small and Medium Enterprises (MSMEs) in the *Car Free Day Area* of Cilegon City

Every person or institution must have responsibility, both responsibility to the institution or person itself and to other institutions or people in the form of internal and external responsibility, responsibility is very important in carrying out relationships, both legal relationships and business relationships, in carrying out any activity, everything cannot be separated from responsibility, because responsibility is something that cannot be separated from the relationship that is established between humans and God and humans with other humans.

Responsibility is an attitude of being ready to choose a choice that you want to make in life, and being ready to face the consequences of the choices that have been made. Thus, everything that has been done should be considered in depth and not in a hurry. Responsibility is one of several attitudes that are values in character education.

¹³ Olivia Brenda Christie et al., "Analisis Sistem Reward Dan Punishment Untuk Meningkatkan Motivasi Kerja Dan Organizational Commitment Karyawan Dengan Studi Kasus Pada PT XYZ" 2, no. 2 (2022): 103–14.

Responsibility is a person's attitude and behavior to carry out their duties and obligations.¹⁴

In his theory of legal responsibility, Hans Kelsen stated that: "a person is legally responsible for a certain act or that he bears legal responsibility, the subject means that he is responsible for a sanction in the event of a contrary act. Furthermore, Hans Kelsen stated that: "Failure to exercise the care required by law is called negligence ; and negligence is usually viewed as another type of error (*culpa*), although not as severe as the error that is fulfilled because of anticipating and wanting, with or without evil intent, harmful consequences. ¹⁵The author has the same opinion as the theory above that a person is responsible for his actions and accepts the sanctions that will be imposed if the responsibility is not carried out.

The related institutions or governments also have responsibility for the rules they issue, whether they are legal rules or other rules, one of which is the policy rules for Micro, Small and Medium Enterprises (MSMEs) in their respective regions , the responsibility of the institution is very important to maintain order and a sense of security for Micro, Small and Medium Enterprises (MSMEs) in selling products and developing the products produced in order to achieve the government's goals in the context of economic growth in Indonesia.

In the context of national economic growth, the government has taken several steps in its development to carry out its responsibilities towards Micro, Small and Medium Enterprises (MSMEs), one of which is the Cilegon city government carrying out a *car free day activity* proposed by the Cilegon Entrepreneurial Association as a forum for developing and providing land and opportunities for Micro, Small and Medium Enterprises (MSMEs) to trade their products so that it aims to create stable economic welfare for the people of Cilegon city.

Based on the results of interviews with the Cilegon Entrepreneur Association (PAWON), it has the responsibility for the implementation of *car free day* which focuses on the responsibility to Micro, Small and Medium Enterprises (MSMEs) located or selling in the area, this responsibility includes security and comfort for Micro, Small and Medium Enterprises (MSMEs) , and the Cilegon Entrepreneur Association (PAWON) also has the responsibility for the security of *car free day visitors* who are very enthusiastic to come and the number of visitors is always increasing every year.¹⁶

The Cilegon Entrepreneur Association (PAWON) is also tasked with facilitating with the intention of providing a place for Micro, Small and Medium Enterprises (MSMEs) to sell their products, the authority of the Cilegon Entrepreneur Association (PAWON) towards Micro, Small and Medium Enterprises is in the form of providing a place and a sense of security for Micro, Small and Medium Enterprises (MSMEs) in selling their products, the Cilegon Entrepreneur Association (PAWON) also usually provides

¹⁴ M. Faisal Palefi, "Comparison of Responsible Attitudes Between Students Who Live in Islamic Boarding Schools and Students Who Do Not Live in Islamic Boarding Schools at Walisongo Pacet Mojokerto Vocational School," 2020, 12, [http://repository.unim.ac.id/2861/2/BAB II.pdf](http://repository.unim.ac.id/2861/2/BAB%20II.pdf).

¹⁵ S. Yati, "Kedudukan Notaris/PPAT Dalam Perjanjian Jual Beli Tanah Warisan (Studi Kasus Dikantor Notaris/Ppat Lubuk Pakam)," *Universitas Medan Area*, 2017, 9–32.

¹⁶Results of an interview with Mr. Iim Ibrohim as chairman of the Cilegon Entrepreneurial Association on November 17, 2024 at 09.00 WIB

information to its members, namely Micro, Small and Medium Enterprises (MSMEs) if there are bazaar or festival activities that can be attended by Micro, Small and Medium Enterprises (MSMEs) to be able to increase their turnover outside of product sales at *car free day activities*, the authority of the Cilegon Entrepreneur Association (PAWON) also includes security around the *car free day activity area*, namely by having security guards assisted by the police and the transportation department which aims to maintain order in the *car free day area* from crime or other criminal acts that may occur.

Related to the responsibility of the Cilegon Entrepreneur Association (PAWON) as the initiator of the *car free day activity*, the Cilegon Entrepreneur Association (PAWON) has the task of socializing how important legal protection is for products owned by its members, based on the results of the author's interview with the Cilegon Entrepreneur Association (PAWON), the Cilegon Entrepreneur Association (PAWON) revealed how important legal protection is for products owned by Micro, Small and Medium Enterprises (MSMEs), especially members of the Cilegon Entrepreneur Association (PAWON) who are in the *car free day activity area*, the Cilegon Entrepreneur Association (PAWON) revealed that legal protection for Micro, Small and Medium Enterprises (MSMEs) products can be provided by registering the products owned, namely registration of halal certificates, BPOM, and brands, because of the importance of registration of legal protection for products, the Cilegon Entrepreneur Association (PAWON) provides socialization to its members to immediately register their products to Indonesian Ulema Council (MUI) to obtain halal certificates, to BPOM to obtain BPOM numbers, and to register with the Directorate General of Intellectual Property (DJKI) to obtain brand rights and patent rights for their products, apart from the socialization, the Cilegon Entrepreneurs Association (PAWON) has registered each of its members with BPJS employment to obtain legal protection, while members of the Cilegon Entrepreneurs Association (PAWON) have also on average registered their products to obtain a Trade Identification Number (NIB), some members of the Cilegon Entrepreneurs Association (PAWON) also already have halal certificates, BPOM, and brands for their products.¹⁷

Based on the results of interviews with Micro, Small and Medium Enterprises (MSMEs) at the Car Free Day (CFD) in Cilegon City, the Micro, Small and Medium Enterprises (MSMEs) are of the opinion that legal protection for Business Identification Numbers, Halal Certificates, BPOM, and Intellectual Property by registering their brands with the Directorate General of Intellectual Property is very important for them in the form of:

1. Providing legal protection to Intellectual Property Rights owners
2. Prevent brand plagiarism by irresponsible parties
3. Avoid lawsuits by other parties on the grounds of similarity or similarity in brands.

The results of interviews with Micro, Small and Medium Enterprises (MSMEs) at the Car Free Day (CFD) in Cilegon City, Micro, Small and Medium Enterprises (MSMEs) also have obstacles in registering Business Identification Numbers, Halal

¹⁷Results of an interview with Mr. Iim Ibrohim as chairman of the Cilegon Entrepreneurial Association on November 17, 2024 at 09.00 WIB

Certificates, BPOM, and in Intellectual Property registering with the Directorate General of Intellectual Property, namely:

1. The registration fee for Intellectual Property Rights registration is relatively expensive.
2. Lack of concern from parties that produce Intellectual Property Rights
3. Lack of information for parties who wish to register Intellectual Property Rights¹⁸

The Cilegon Entrepreneurs Association (PAWON) has a supervisory function over the activities of Micro, Small and Medium Enterprises (MSMEs) in *the car free day area*, especially members of the Cilegon Entrepreneurs Association (PAWON), every activity in *the car free day area*. The Cilegon Entrepreneurs Association (PAWON) supervises both its Micro, Small and Medium Enterprises (MSMEs) and visitors who come to the car free day area. Supervision carried out by the Cilegon Entrepreneurs Association (PAWON) cannot be separated from cooperation with other parties. In carrying out its supervision, the Cilegon Entrepreneurs Association (PAWON) is assisted by the police and the transportation department in maintaining security and comfort around *the car free day area*. The Cilegon Entrepreneurs Association (PAWON) usually provides supervision by providing a parking lot guarded by the Cilegon Entrepreneurs Association (PAWON) so that it can prevent criminal acts of vehicle theft around the area.

In carrying out buying and selling activities or doing business, sellers must have a strategy in order to advance the products being marketed as stated in the business theory put forward by Muhamad Ali. Business theory is a framework of concepts and ideas used to analyze, understand, and explain various aspects of the business world. This includes everything from how companies manage resources and make strategic decisions to how to understand consumer behavior and market trends.¹⁹ The author argues that every business activity carried out by sellers must be able to analyze the market and understand who the target of the marketed product is, because in that way sellers can be more optimal in carrying out buying and selling activities, the author also argues that businesses carried out in the form of MSMEs that are in *car free day activities* are expected to comply with the rules by registering their products to obtain PIRT, NIB, Halal Certification, BPOM, and no less important related to the protection of intellectual property law through the process of applying for trademark registration, patents, copyrights, and industrial designs, as stated in the theory above, then strategic decision making can be carried out by business actors and/or sellers.

The Cilegon Entrepreneur Association (PAWON) also always provides an appeal to visitors who come to always be careful and alert to their surroundings, especially to electronic goods or valuables brought by visitors through speakers that can be heard by visitors to the *car free day*, the Cilegon Entrepreneur Association (PAWON) stand is also located in the middle of *the car free day area* to make it easier for visitors to report if there is a loss of family members or goods because it is not uncommon for visitors to lose their

¹⁸ Results of interviews with Mr. Yudi, Mrs. Geulis, and Mrs. Sintia as Micro, Small and Medium Enterprises (MSMEs) on Car Free Day in Cilegon City on December 8, 2024 at 08.30 WIB

¹⁹ www.kompasiana.com accessed on Saturday, December 15, 2024 at 14.00 WIB

family members, especially children, due to the crowded situation and lack of supervision from parents, which makes children free from their parents' supervision, but every case of a lost child in *the car free day area* is always resolved well.

In carrying out its responsibility for the protection of the Cilegon Entrepreneurs Association for Micro, Small and Medium Enterprises, the Cilegon Entrepreneurs Association (PAWON) registers each of its members with the Ministry of Manpower to obtain protection for its members. Social Security for Workers is a protection for workers in the form of compensation in the form of money as a replacement for part of the lost or reduced income and services as a result of events or circumstances experienced by workers in the form of work accidents, illness, pregnancy, childbirth, old age, and death.

The implementation of social security programs is a state responsibility that must be obtained by all Indonesian people as mandated in the 1945 Constitution, namely Article 28 Paragraph 3 and Article 34 Paragraph 3. To realize the implementation of social security, the state makes regulations for the National Social Security System. In the National Social Security System, social security programs are divided into two: BPJS Employment and BPJS Health. Based on the Regulation of the Minister of Manpower Number 1 of 2016, non-wage participants can only participate in 3 (three) types of social security programs at BPJS Employment. However, non-wage participants can choose a program according to the abilities and needs of the participants, where in the social security program for non-wage recipients, the mandatory and most important ones are Work Accident Insurance and Death Insurance. While for Old Age Security, it is voluntary. This is because the Work Accident Insurance and Death Insurance programs are the most basic guarantees that are needed by everyone who works.

Furthermore, the registration requirements as referred to in paragraph (1) are integrated by BPJS Ketenagakerjaan with the population administration system. There are three ways to register as a Participant, namely first, having a NIK (Population Identification Number). Second, filling out the F1 BPU form for registration of new containers/groups/partners. Third, contacting the nearest BPJS Ketenagakerjaan Office/container/Partner/Payment Point (Aggregator/Banking) that collaborates with BPJS Ketenagakerjaan. So that Participants who register for the Social Security Program at BPJS Ketenagakerjaan are required to have a NIK proven by a Photocopy of their Identity Card (KTP) and fill out the form provided by BPJS Ketenagakerjaan. BPJS Ketenagakerjaan collaborates with the Directorate General of Population and Civil Registration to make it easier for BPJS Ketenagakerjaan to input participant data. However, the problem currently is that if there are workers who do not have a NIK or e-KTP, automatically the worker cannot become a BPJS Ketenagakerjaan participant because the data system is not up to date.²⁰

In carrying out its responsibilities through registration with the Ministry of Manpower for its members, PAWON also provides information that all of its members, totaling approximately 500 members, have registered their products to obtain a Business

²⁰ Luhur Sanitya Pambudi, "Pelaksanaan Program Jaminan Sosial Ketenagakerjaan Bagi Pekerja Bukan Penerima Upah Di Wilayah Kota Semarang Ditinjau Dari Permenaker Nomor 1 Tahun 2016," *Indonesian State Law Review* 1, no. 2 (2019): 208.

Identification Number registered by their respective members by registering via the online website at OSS (Online Single Submission).

The members of Micro, Small and Medium Enterprises (MSMEs) in the Car Free Day (CFD) of Cilegon City total 500 members consisting of 250 members of culinary Micro, Small and Medium Enterprises (MSMEs) such as selling food and drinks and 250 members of non-culinary Micro, Small and Medium Enterprises (MSMEs) such as selling clothes, toys and accessories, members of Micro, Small and Medium Enterprises (MSMEs) in the Car Free Day (CFD) of Cilegon City, all members of Micro , Small and Medium Enterprises (MSMEs) have been registered by the Cilegon Entrepreneurs Association (PAWON) in the form of BPJS Employment since the beginning of selling in the Car Free Day (CFD) of Cilegon City.²¹

NIB is an identity given to business actors in running a business according to their business field. The regulation regarding NIB has actually been stated in Article 25 Paragraph (1) of Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services. This policy was taken by the government so that entrepreneurs no longer face complex, costly, and laborious business licensing administration processes. NIB also applies as: Company Registration Certificate (TDP), Import Identification Number (API), and Customs Access. Meanwhile, the requirements for submitting NIB through OSS include entering the Population Identification Number (NIK) and for agencies that are currently processing the process of ratifying business entities that require ratification from the Ministry of Law and Human Rights must complete the process. Currently, business permits are given based on risk. Submission of NIB is free of charge. OSS is implemented by the OSS Institution which is part of the Investment Coordinating Board. The OSS Portal can be visited via <https://oss.go.id/>.²²

One of the ways attempted by the government to provide support to business actors, as regulated in the Job Creation Law and its various implementing regulations, is by providing a solution to facilitate the creation of business legality (in this case NIB) through an online system launched since 2017, OSS. This system allows prospective and existing business actors to obtain business legality through a relatively easier process because it can be done independently via a computer or gadget with an internet connection. Micro, Small, and Medium Enterprises (MSMEs) as one of the factors of economic development in a region need to be empowered through various aspects, including: human resource development, capital support, production and productivity, partnership development, business and marketing networks, business protection, and their business legality. This aims to make the business actors involved more stable in carrying out their economic activities, and can be better prepared to face current and future challenges. The results of the dissemination activities as well as assistance in

²¹Results of an interview with Mr. Iim Ibrohim as chairman of the Cilegon Entrepreneurial Association on November 17, 2024 at 09.00 WIB

²² Irawaty Irawaty, Rahayu Fery Anitasari, and Andry Setiawan, "Peningkatan Pemahaman Pelaku UMK Mengenai Urgensi Dan Tata Cara Mendapatkan Nomor Induk Berusaha (NIB)," *Jurnal Pengabdian Hukum Indonesia (Indonesian Journal of Legal Community Engagement) JPHI* 5, no. 1 (2022): 35–49, <https://doi.org/10.15294/jphi.v5i1.53495>.

creating NIB legality show an increase in understanding and legal awareness of Micro, Small, and Medium Enterprises (MSMEs) to take care of business legality.²³

Micro, Small and Medium Enterprises (MSMEs) products under the auspices of the Cilegon Entrepreneurs Association (PAWON) consist of 2 (two) categories, the first is the member category and the second is the non-member category, for Micro, Small and Medium Enterprises (MSMEs) who are members of each car free day pay Rp. 30,000 (thirty thousand rupiah) and for non-members are charged Rp. 150.00 (one hundred and fifty thousand rupiah).²⁴ Products sold on *Car Free Day* (CFD) in Cilegon city have met the criteria, the criteria include NIB, Halal Certificate, BPOM, and in intellectual property to register it with the Directorate General of Intellectual Property.²⁵

In carrying out its legal responsibilities, it is important to protect products owned by Micro, Small and Medium Enterprises when viewed from the side of protection and certainty, because in any case, consumers want to be given certainty about the products they buy, both in the form of certainty of the halalness of the product and BPOM itself, because consumers will feel safer about products that have halal certificates and permits from BPOM because products that have halal certificates and BPOM can be assured that the ingredients and manufacturing methods are guaranteed to be halal and healthy.

The obligation to have halal certification for all food and beverage products is firmly stated in Article 4 of Law Number 33 of 2014 concerning Halal Product Assurance, which states that "products entering, circulating, and traded in the territory of Indonesia must be halal certified." This means that it is clear that business actors who produce and trade food products in Indonesia must be halal certified and have a halal logo on their packaging and it is also absolutely necessary as a strong legal umbrella for the government that has the authority to regulate halal products in Indonesia.²⁶

Halal certification is a written fatwa issued by the Indonesian Ulema Council (MUI). The halal certificate of the Indonesian Ulema Council (MUI) is a certificate that states information in the form of a written statement regarding the halalness of the product mentioned in the certificate. This halal certificate is included in the requirements for business actors to obtain permission to include a halal label on product packaging from authorized government agencies. Article 1 Number 10 of Law Number 33 of 2014 concerning Halal Product Assurance states: "Halal certification is an acknowledgment of the halalness of a product issued by BPJPH based on a written halal fatwa issued by MUI".

As we all know, Micro, Small and Medium Enterprises (MSMEs) are a group of business actors, most of whom are business actors who carry out their production processes until their sales are carried out simply or businesses with a housing business

²³ Claressia Sirikiet Wibisono, Rani Melati Oktadifa, and Kusuma Wardhani Mas'udah, "Peningkatan Pengetahuan Pelaku UMKM Mengenai Urgensi NIB Di Desa Bareng, Kecamatan Bareng, Kabupaten Jombang," *Jurnal Dedikasi Hukum* 2, no. 2 (2022): 211–20, <https://doi.org/10.22219/jdh.v2i2.21792>.

²⁴ Results of an interview with Mrs. Eni as a Micro, Small and Medium Enterprise (MSME) on Car Free Day in Cilegon City on December 8, 2024 at 10.00 WIB

²⁵ Results of an interview with Mr. Iim Ibrohim as chairman of the Cilegon Entrepreneur Association on November 17, 2024 at 09.00 WIB

²⁶ Law Number 33 of 2014 concerning Halal Product Guarantee Supplement to the State Gazette of the Republic of Indonesia Number 5604

scale, especially in food processing. The implementation of mandatory halal certification rules applies to all food and beverage products, including those produced by Micro, Small and Medium Enterprises (MSMEs) as regulated in Law Number 33 of 2014 concerning Halal Product Assurance.

Based on Law Number 33 of 2014 concerning Halal Product Assurance, this Law only mentions in general terms, namely business actors, without specifically mentioning business actors in particular, whereas we all know that the products produced by Micro, Small and Medium Enterprises (MSMEs) are products that are made/processed on a household industry scale (IRT).²⁷

Regarding the halal certification that must be owned by all Micro, Small and Medium Enterprises (MSMEs) in Indonesia, in this case, the Micro, Small and Medium Enterprises (MSMEs) in *the car free day activity area* have a weakness where not all of the products they produce have halal certification due to payment constraints, but in this case, the Cilegon Entrepreneurial Association (PAWON) has conducted socialization to the Micro, Small and Medium Enterprises (MSMEs) in *the car free day area* to immediately register halal certificates with the Indonesian Ulema Council (MUI) for the products produced by each Micro, Small and Medium Enterprise (MSME).

Products that have halal labeling can greatly influence customer perception of the product. Consumer perception of a product is formed by the combination of their experiences with its features, attributes, and performance. Halal labeling is one of the important factors that can form a positive image of the product, especially for customers who prioritize halal. Halal labeling increases consumer confidence in product safety and convenience. A study conducted by Gusman, Ramadhani, Lia, Ibdalsyah, and Hakiem found that brand image has a significant effect on purchasing decisions. Therefore, halal label certification can be a great marketing tool for manufacturers to make their goods more pleasing to the eye and attract consumers.

Halal certification has become a very significant commodification for the production and expansion of a product's market share. Halal certification is important for business actors to obtain, because it can increase and expand market share. If the obligation for halal certification can be accepted and implemented properly by all business actors, even the market share can expand to the global market. According to Abadi, the halal certification process has been proven to trigger added value for food products and plays an important role in increasing market share both domestically and in the export market, especially in countries with a Muslim majority. However, sometimes halal certification can actually have a negative impact on market share. Halal certification can trigger negative perceptions in non-Muslim consumers, such as the assumption that halal products are more expensive or of lower quality. This can result in hampered marketing and a decrease in their purchase intention for halal products.

Improving product quality is an important key for business actors, especially Micro, Small and Medium Enterprises (MSMEs) , to achieve business success and sustainability. Good quality products not only guarantee consumer satisfaction, but also

²⁷<https://jdih.kalteng.go.id> accessed on Sunday, November 17, 2024 at 13.00 WIB

affect consumer perception and trust in the product. In accordance with Suci Widyawati's opinion, which states that product quality, price, and customer value have a significant effect on customer satisfaction. One important aspect in assessing that Micro, Small and Medium Enterprises (MSMEs) products are of good quality is the halalness of the product. In addition, product packaging also plays an important role that covers various aspects. Not only does it function as a protector of the product from damage, impact, or contamination during distribution and storage, packaging also plays a role in forming the identity and image of the product. This can increase the attractiveness and selling value of the product, so that it can attract consumer interest.²⁸

Legal protection for products owned by Micro, Small and Medium Enterprises (MSMEs) is not only limited to NIB, PIRT, halal certification and BPOM, but in terms of intellectual property, it is no less important to add protection to products owned, one of which is protection of brands made from products produced which must be registered with the Directorate General of Intellectual Property (DJKI). The definition of intellectual property itself is. Intellectual property is creativity resulting from human thought processes in order to meet human needs and welfare. In connection with the intellectual property being the result of human thought, there needs to be regulations to provide legal protection. Human intellectual abilities in the form of creativity, taste, and will produce works in the fields of science, art and technology. These fields, when viewed from their nature, can be categorized as communal intellectual property and personal intellectual property. Both can be utilized economically in order to improve and grow businesses or businesses that lead to equitable prosperity. With this intellectual property, it is hoped that we will be able to compete with foreign products that have long been freely circulating in the market.²⁹

Through Law Number 20 of 2016 concerning Trademarks and Geographical Indications³⁰, the government has initiated an online integrated trademark registration system with several countries in the world by providing easy access to registration. Registration of the trademark is mandatory considering the system adopted is a constitutive system (*first to file principle*). If registration is not carried out, then the trademark rights are not protected by the State. On the other hand, many small and medium entrepreneurs (SMEs) have not registered their trademarks.

Trademark rights are an important component of intellectual property law that provide legal protection for the identity and image of a product or service. A trademark serves as an identifying mark that distinguishes a product or service from competitors in the market and gives its owner the exclusive right to use it in its business activities. Trademark owners are obliged to actively use their trademarks in commerce. If a trademark is left unused for a certain period of time, the trademark rights can be revoked by the authorized trademark agency. Trademarks can have different levels of strength.

²⁸ OV Kristin et al., "Analysis of the Impact of Halal Labeling Certification on the Development of MSMEs in Bangkalan," *Jurnal Masharif Al ...* 9, no. 204 (2024): 1516–28

²⁹ Sulasno, "Implementation of Intellectual Property (IP) to MSMEs as an Effort to Realize Fair Business Competition," *Adjudication: Journal of Law Science LPPM Unsera*, Vol. 2 No. 2, (2018): 180

³⁰ Law Number 20 of 2016 concerning Trademarks and Geographical Indications. Supplement to the State Gazette of the Republic of Indonesia Number 5953

Very strong trademarks are often easier to protect and have the ability to extend to a variety of products or services. Less strong trademarks require further evidence to prove trademark infringement.³¹

Trademark rights as part of Intellectual Property Rights (IPR) have an important function in the world of trade, it not only differentiates between similar goods and/or services, but also functions as a tool to win the competition in capturing the consumer market. In addition, a brand that has become a well-known brand also functions as *goodwill* and a company asset that is invaluable. For this reason, trademark rights need to be protected. The concept of legal protection of trademark rights refers to the nature of trademark rights which are special (*exclusive*). The property rights which are monopolistic in nature can be used by others with permission from the trademark owner.

Every product of Micro, Small and Medium Enterprises (MSMEs), both goods and services, has material and immaterial wealth. One of these immaterial wealth is a brand. A brand is a sign given by a producer to the goods and/or services it produces as something that can distinguish it from other similar products. As a sign, a brand is used so that consumers can easily recognize the product, because without a brand, it will be difficult for people to explain to others about the product they will consume. This is the reason why brands are one form of intellectual work that plays an important role in the smooth running and increasing of trade in goods and/or services. The important role of brands in trading activities often causes problems. These brand problems include imitation, forgery, and even misuse of brands by other parties which result in losses to the sustainability of the business carried out by business actors. This is the reason why brands need legal protection in order to provide legal certainty for the community.³²

Current brand protection is based on Law Number 20 of 2016 concerning Trademarks and Geographical Indications (hereinafter referred to as the Trademark and Geographical Indication Law). A brand is an economic asset for its owner which based on the Trademark and Geographical Indication Law must be registered with the Directorate General of Intellectual Property (hereinafter referred to as DJKI) of the Ministry of Law and Human Rights (HAM) of the Republic of Indonesia to obtain a Trademark Rights certificate so that it is protected by law. This is also to minimize the occurrence of brand misuse by other parties which will result in losses for the business actor itself.³³

Micro, Small and Medium Enterprises (MSMEs) must also pay attention to how to struggle in the business sector, there are rules that must be learned, one of which is brand registration so that their business ideas get legal protection and are not copied by irresponsible parties . The role of the Cilegon Entrepreneur Association (PAWON) in helping Micro, Small and Medium Enterprises (MSMEs) by facilitating or providing outreach to the community, the Cilegon Entrepreneurs Association (PAWON) continues

³¹ Bernard Nainggolan and M H Hukum Kekayaan, *Buku Ajar: Hukum Kekayaan Intelektual*, ed. T. Firmansyah (Yogyakarta: Publika Global Media, 2022).

³² Devi Eka Verawati, "Pentingnya Pendaftaran Merek Bagi Usaha Mikro Kecil Menengah Di Jawa Timur" 5 No 2 (n.d.): 123,124.

³³ Law Number 20 of 2016 Concerning Trademarks and Geographical Indications. Supplement to the State Gazette of the Republic of Indonesia Number 5953

to provide outreach periodically so that the community understands about Brand registration.

Brand protection is very important, Brands function as an identifier that shows the origin of goods and services, while connecting the goods and services concerned with their producers. In addition to being a wealth that can generate profits for entrepreneurs as brand owners, brands are also a tool to protect the public as consumers from fraud regarding the quality of certain goods. Consumers will feel disadvantaged if the brand they consider to be of good quality is actually produced by another party with low quality. Brands describe the guarantee of personality (*individuality*) and reputation of goods and services produced by a business when traded. Guaranteeing the quality of goods or services is very useful for producers in business competition and at the same time provides protection for their product guarantees to consumers. The Directorate General of Intellectual Property states that the use of a Brand functions as an identifier to distinguish the production results produced by a person or several people together or a legal entity with the production of other people or other legal entities, then as a promotional tool so that promoting their production results is sufficient by mentioning their Brand, as a guarantee of the quality of their goods, and as an indicator of the origin of the goods or services produced. For the reasons above, legal protection of a trademark becomes very important so that it is not used by other parties unlawfully, such as forgery, imitation, which can create unfair trade competition and ultimately harm the trademark owner. To obtain legal protection for the trademark, the trademark must be registered first. The Directorate General of Intellectual Property states that trademark registration serves as evidence for the owner who has the right to the registered trademark, as a basis for rejection of trademarks that are the same in their entirety or the same in essence that are applied for registration by others for similar goods or services, and also serves as a basis for preventing others from using the same or the same trademark in their entirety in circulation for similar goods or services.³⁴

Supervision is basically directed entirely to avoid any possibility of misappropriation or deviation from the objectives to be achieved, through supervision it is expected to help implement the planned policies effectively and efficiently. Even through supervision, an activity is created that is closely related to the determination or evaluation of the extent to which the work has been carried out. Supervision can also detect the extent to which the leadership policy is implemented and the extent of deviations that occur in the implementation of the work. In relation to the supervision of activities carried out by BPOM which supervises the distribution of food and testing the suitability of food to be distributed, it is contained in Presidential Decree Number 80 of 2017 concerning BPOM.³⁵

According to Sujanto in the book Principles of Management, "Supervision is an effort or activity to find out and assess the actual reality regarding the implementation of

³⁴ Andrew Betlehn and Prisca Oktaviani Samosir, "MSME Industrial Brands in Indonesia," *Law and Justice Journal* 3, no. 1 (2018): 3–11.

³⁵ Ferry Angriawan and Dyah Mutiarin, "Efektivitas Pengawasan Badan Pengawas Obat Dan Makanan (BPOM) Terhadap Peredaran Makanan Impor Oleh Pedagang UMKM Di Kota Pekanbaru Ferry," *Journal of Government & Civil Society* 3, no. 1 (2019): 6.

tasks or activities". The Drug and Food supervision system organized by BPOM is a comprehensive process, including pre-market and post-market supervision. Business actors have a role in providing guarantees of Drug and Food products that meet the requirements (safe, efficacious/beneficial and quality) through a production process that is in accordance with the provisions. Without leaving the main task of supervision, BPOM strives to provide support to business actors to obtain convenience in their business, namely by providing incentives, *clearing houses*, and *regulatory* assistance.

To encourage more systematic partnerships and cooperation, it can be done through the stages of identifying the level of interest of each institution/agency, both government and private sector and community groups towards the main tasks and functions of BPOM, identifying the resources owned by each institution in supporting the tasks that are the mandate of BPOM, and determining joint indicators for the success of the cooperation program. To carry out BPOM's duties, institutional/organizational strengthening is needed. Organizational structuring and strengthening aims to increase the efficiency and effectiveness of the organization proportionally to be appropriate in function and size according to the needs of implementing BPOM's duties and functions. The arrangement of governance aims to increase the efficiency and effectiveness of work systems and procedures. In addition, to support the Strategic Targets of the Food and Drug Supervisory Agency, it is necessary to strengthen the capacity of human resources in drug and food supervision.³⁶

For traders/entrepreneurs who have or will start a processed food business, it is necessary to understand that every processed food, whether produced domestically or imported to be traded in retail packaging, must have a distribution permit (Regulation of the Head of the POM Agency No. 27 of 2017). Distribution permits for processed food traded in Indonesia can be issued by the Regent/Mayor. One-Stop Integrated Service Unit or the POM Agency according to the food category and risk level. Distribution permits for processed food issued by the POM Agency consist of BPOM RI MD (for food produced domestically) and BPOM RI ML (for food produced abroad). Of course, to obtain the distribution permit, you need to pay attention to the requirements, including:

1. Separate production location (separate from household)
2. Processed foods are produced manually, semi-automatically, automatically or with certain technologies such as UHT, pasteurization, retort.
3. Type of food:
 1. Domestically produced/imported food is sold in retail packaging
 2. Fortified food
 3. Foods that must meet SNI standards
 4. Government program food
 5. Food intended for market testing
 6. Food additives (BTP)

³⁶ Ukas Ukas, "Analisis Yuridis Mekanisme Penyelesaian Sengketa Perdagangan Internasional (Dalam Kerangka Gatt-Wto)," *JCH (Jurnal Cendekia Hukum)* 4, no. 1 (2018): 129, <https://doi.org/10.33760/jch.v4i1.93>.

Regulations: Regulation of the Head of BPOM No. 27 of 2017 concerning Processed Food Registration. Registration is submitted for every processed food including those that have differences in terms of:

1. Types of food
2. Type of packaging
3. Composition
4. Label design
5. Name and/or address of manufacturer in Indonesia
6. Name and/or address of importer/distributor
7. Name and/or address of overseas manufacturer³⁷

For business actors who have or are just starting a processed food business, they are required to have a distribution permit. The regulation applies to all processed foods, whether produced domestically or imported to be traded in mandatory retail packaging. This is stated in the Regulation of the Head of the Food and Drug Supervisory Agency (BPOM) number 27 of 2017. Distribution permits for processed foods traded in Indonesia can be issued by the regent/mayor through the One-Stop Integrated Service Unit/OSS Application or the POM Agency according to the food category and risk level.

Every processed food produced domestically or imported to be traded in retail packaging, food business actors are required to have a distribution permit. The obligation to have a distribution permit is exempted for certain processed foods produced by home industries. Home industries are required to have a Home Industry Food Production Certificate/SPP-IRT (PIRT number). The distribution permit for processed food issued by the POM Agency consists of BPOM RI MD (for food produced domestically) and BPOM RI ML (for food produced abroad). As reported on the BPOM page, of course, to obtain the distribution permit, the requirements must be considered.³⁸

Legal protection for Micro, Small and Medium Enterprises (MSMEs) products on the Cilegon City *Car Free Day* is not only limited to halal certification, BPOM permits, NIB, PIRT, and Brands and no less important intellectual property, but there is also a Business Identification Number (NIB) which on average almost all Micro, Small and Medium Enterprises (MSMEs) that are on the *car free day activity* have registered their products to obtain a Business Identification Number (NIB) which is registered by them online and is relatively easier than registering for halal certification, BPOM, and Brands.

IV. CONCLUSION

Based on the formulation of the problem and analysis of the discussion, the following conclusions can be drawn :

1. The utilization and development carried out by the Cilegon Entrepreneurship Association for Micro, Small and Medium Enterprises is carried out by developing its products, in the form of innovation of the products it produces by adding food and beverage variants, there needs to be a logo or brand for the product and the need for innovation by adding flavor variants or other food and beverage variants, seen from

³⁷ <https://istanaumkm.pom.go.id> accessed on Sunday, November 17, 2024 at 15.20 WIB

³⁸ [Indonesia.go.id](https://indonesia.go.id) accessed on Sunday, November 24, 2024 at 13.00 WIB

the social side, seen from the technological side by utilizing social media as a means of sales by promoting on social media or *pre-orders*, the importance of adding brand labels to products marketed in order to increase the attractiveness of the product so that buyers are more interested in the products produced by the Micro, Small and Medium Enterprises .

2. The Legal Responsibility of the Cilegon Entrepreneurs Association Towards Micro, Small and Medium Enterprises Actors is carried out by each member who registers their business with the Cilegon Entrepreneurs Association will be registered with the Ministry of Manpower to obtain legal protection, as well as conducting socialization to Micro, Small and Medium Enterprises to register their products to obtain halal certificates, BPOM permits, Business Identification Numbers, and PIRT, and no less important in terms of intellectual property by registering brands, patents, etc. for their products with the Directorate General of Intellectual Property to prevent them from being recognized or imitated by other people or parties or even other countries.

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