

Waste Retribution Optimization Strategy to Increase PAD in Karang Berombak Village, Medan City

Endah Suharlin Tanjung¹, Ahmad Ihsan², M.Yoga Attoriq³, M.Yogi Attoriq⁴, Vina Arnita⁵

¹ Panca Budi Development University; e-mail: endahtanjung09@gmail.com

² Panca Budi Development University; e-mail : ihsankeren09@gmail.com

³ Panca Budi Development University; e-mail: attoriqmyoga@gmail.com

⁴ Panca Budi Development University; e-mail: attoriqmyogi@gmail.com

⁵ Panca Budi Development University; email: vinaarnita@dosen.pancabudi.ac.id

*Corresponding Author: Vina Arnita

Abstract: This study aims to examine the strategy of optimizing waste retribution and its impact on increasing Local Original Income (PAD) in Karang Berombak Village, Medan City, using a literature study method. The data used are sourced from various relevant online references, such as scientific articles, research results, and policy publications. Data collection techniques are carried out through literature reviews that include statistical data, policy analysis, and case studies that are in accordance with the focus of the study. The results of the study indicate that optimizing waste retribution in order to increase PAD requires a comprehensive approach. The strategy includes structured planning, consistent supervision, increasing public awareness and participation, and providing adequate facilities and infrastructure. The implementation of this strategy in an integrated manner is expected to encourage the effectiveness of waste retribution management and contribute significantly to increasing PAD in Karang Berombak Village.

Keywords: Optimization Strategy, Waste Retribution, Local Original Income, Karang Berombak Subdistrict

1. Introduction

The implementation of regional autonomy as mandated in Law Number 23 of 2014 concerning Regional Government aims to improve public welfare, improve the quality of public services, and encourage regional competitiveness. In its implementation, regional governments are required to be able to be independent in meeting development financing needs, one of which is by optimizing the potential of regional original income (PAD). Regional Original Income is one of the main sources of income for regional governments which comes from regional taxes, regional levies, results of managing separated regional assets, and other legitimate income. Regional taxes include hotel tax, restaurant tax, entertainment tax, advertising tax, and parking tax. Meanwhile, regional levies include market service levies, cleaning levies, industrial and trade business permit levies, and various other types of levies (Priadi & Subagiyo, 2024).

Karang Berombak Village is one of the densely populated villages located in the urban area of Medan City. Based on population growth data for the period 2006 to 2014, the average growth rate reached 0.69% per year, with an increase in population from 19,162 people in 2006 to 20,227 people in 2014. In the period 2016 to 2018, the population growth rate was recorded as stable at 1% per year. This trend will continue until 2024, when the population of Karang Berombak Village will reach 22,350 people. This increase in population is in line with the growth of social and economic activities of the community, which also drives an increase in the volume of waste generation in the area. This condition requires more optimal and systematic waste management as an effort to maintain environmental cleanliness while supporting an increase in local revenue (PAD) through the waste retribution sector.

The increase in population certainly has a direct impact on the increase in the volume of household waste. According to Nurhikmah et al. (2015), there is a positive correlation between population growth and waste generation, which leads to increased pressure on the

Received: April, 28 2025

Revised: May, 12 2025

Accepted: May, 26 2025

Published: May, 28 2025

Curr. Ver.: May, 28 2025



Copyright: © 2025 by the authors.

Submitted for possible open

access publication under the

terms and conditions of the

Creative Commons Attribution

(CC BY SA) license

(<https://creativecommons.org/licenses/by-sa/4.0/>)

existing waste management system. If not handled properly, this condition can trigger various environmental problems such as pollution, the spread of disease, and disruption of regional spatial planning. In line with that, Law Number 18 of 2008 concerning Waste Management emphasizes that the government and regional governments have an obligation to organize sustainable and environmentally friendly waste management. Effective waste management requires a good service system and adequate financial support. One of the financing mechanisms that can be utilized is through the receipt of waste levies from the community.

In Karang Berombak Village, waste management is carried out by operating three motorized becaks to transport waste that serve around 700 families (KK) spread across 19 neighborhoods. Based on data from utamanews.com, the estimated volume of waste generation reaches around 880.5 tons per year, but the realization of waste retribution revenue is only Rp13,386,000 per year. This figure shows the low contribution of waste retribution to PAD, so an appropriate optimization strategy is needed so that this potential can be utilized optimally.

2. Literature Review

a. Local Original Income

Local Original Income (PAD) is income derived from the local economic potential of a region, which is collected based on regional regulations in accordance with applicable laws and regulations. PAD plays an important role in financing various government and regional development activities without relying too much on transfer funds from the central government. According to Siregar (2017), the PAD sector reflects the extent to which a region is able to manage and utilize its economic potential to support the implementation of government and public services. In Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, PAD is defined as income obtained by regions originating from regional taxes, regional levies, results of managing separated regional assets, and other legitimate PAD. Thus, the higher the PAD that can be collected, the greater the fiscal independence of a region.

b. Regional Retribution

Regional levies are levies imposed by the regional government in return for providing certain services or permits to the community or business entities. Levies are an important component of PAD that is direct, meaning that they are only imposed on parties who actually utilize the services or services of the regional government. According to Law Number 34 of 2000 concerning Regional Taxes and Regional Levies, levies are regional levies as payment for services or granting certain permits that are specifically provided and/or granted by the regional government. According to Hingide (2023), the main principle in levies is the suitability between the value of the benefits received by the community and the amount of levies paid. Determination of the amount of levies can be based on market value, replacement price, or the results of a willingness to pay survey, in order to ensure fairness and efficiency in its implementation. By optimizing levies, regions can increase PAD revenues sustainably.

c. Waste Retribution

Waste retribution is a regional levy for waste management services provided by the government to the public. This levy is included in the type of general service levy, which aims not only to increase Regional Original Income (PAD), but also to support environmental cleanliness and sustainability. According to Sukanto and Wahyuni (2022), optimization of waste retribution must pay attention to fairness of rates, the community's ability to pay, and the quality of services received. In addition, Simanjuntak (2023) emphasized the importance of public trust in the quality of service as the key to compliance in paying retribution. Based on Permendagri Number 7 of 2021, the determination of retribution rates must consider operational costs, reasonable profits, and the community's purchasing power. Meanwhile, Yuliana and Gunawan (2024) added that digitalization of the retribution payment system can increase efficiency and transparency in the management of waste retribution.

d. Waste Management

Waste management in Indonesia is regulated in Law Number 18 of 2008 concerning Waste Management, which aims to create an environmentally aware, sustainable, and socially and ecologically responsible management system. Some important points in the law include:

- 1) Basic Principles of Waste Management:
 - a) Waste Reduction: Efforts to reduce the volume of waste from the source.
 - b) Waste Management: Includes collection, transportation, processing, and disposal of waste.
 - c) Environmentally Conscious: Implemented with attention to the impact on the environment and public health.
 - d) Community Participation: The community plays an active role in every stage of waste management.
- 2) Types of Waste:
 - a) Household Waste: Waste originating from domestic activities.
 - b) Household Waste: Waste from markets, offices, restaurants and other public facilities.
 - c) Specific Waste: Includes hazardous waste, medical waste, and electronic waste.
- 3) Management Responsibilities:
 - a) Government/Local Government: Responsible for policies and management of the transportation system to the TPA.
 - b) Manufacturers: Must contribute to the reduction and recycling of waste from their products.
 - c) Community: Must sort, place and reduce waste from the source.
- 4) Sanctions: Those who violate the provisions, for example littering or importing illegal waste, will be subject to criminal and administrative sanctions.
- 5) Technical Implementation: Including the provision of separate waste bins, adequate transportation facilities, and providing incentives for communities that support waste management programs.

3. Research Methods

This study uses a literature review method with a qualitative descriptive approach. The main objective is to examine the strategy for optimizing waste levies and their impact on increasing Local Revenue (PAD) in Karang Berombak Village, Medan City. The data used comes from secondary sources in the form of scientific journals, books, government reports, and relevant laws and regulations. Data collection techniques are carried out by searching literature through online platforms such as Google Scholar, SINTA, and digital libraries. The collected data are analyzed descriptively to identify patterns, strategies, and best practices in managing waste levies. Through this approach, it is hoped that the study can provide applicable recommendations in increasing PAD through optimizing waste levies.

4. Results and Discussion

No	Name	Title	Results
1	Tumija, Ramadhan & Kusmana (2019)	Optimization of Collection of Waste/Cleanliness Service Fees in Increasing Local Original Income in Sumedang Regency, West Java Province	The results of the study based on Rahardjo Adisasminto's theory show that the indicators of expanding the revenue base to increasing revenue capacity through better planning are appropriate, while the indicators of increasing supervision carried out by the Environmental and Forestry Service are still not appropriate so that the implementation of collection in the field is indeed not as expected. The obstacles faced are that the facilities and infrastructure to support the retribution collection process are still lacking, the level of public awareness to pay mandatory waste/cleanliness service retribution is low, there are no mandatory sanctions for retribution payers, and supervision is still minimal.

2	Said & Firman (2022)	Strategy to Increase Household Waste Retribution Revenue as a Source of Income in Manggala District, Makassar City	The results of the study indicate that there are several factors that influence the acceptance of household waste levies in the Manggala District area, namely public awareness, quality of service levels, ability to pay, levy rates, Human Resources officers, availability of facilities and infrastructure, regulations that are still weak. For this reason, a strategy is needed to improve it, namely by providing understanding to the community/socialization, revising regulations that are easy to implement, improving waste facilities and infrastructure, improving HR and service performance, counseling and law enforcement, incentives and disincentives for waste reduction and digitalization of waste levy collection. The ratio of waste levy contributions in Manggala District is still in the criteria of still very lacking.
3	The Last Supper (2022)	Optimization of Cleaning Service Fee Collection in Pekanbaru City	The results of this study are that optimal levies are still needed for waste services in Pekanbaru City with limited physical abilities and skills of retribution collectors in data collection and collection of levies, as well as the role of the community which is still lacking due to the lack of coordination between scavengers and waste retribution collectors. Of course, it has a great influence on the realization of waste service levies in Pekanbaru City.
4	The Last Supper (2024)	Analysis of Household Waste Cleaning Fee Collection Strategy in Increasing Local Original Income in Bekasi City in 2021-2022	The implementation of waste retribution collection in Bekasi Regency has great potential because the income generated is high and from time to time exceeds the target in 2020-2021. However, in 2022 there was a decrease in income, although it was still classified as very good because it still reached 99.02% of the target. Efforts made to overcome the obstacles experienced by the government include conducting intensive and comprehensive socialization, a humanistic approach to village communities, providing an understanding to the community about the importance of waste management levies for regional development, and increasing human resources or workers tasked with collecting waste and taking it to the final disposal site (TPA). When the community feels comfortable, they will automatically continue to use these facilities, and thus have the potential to increase regional original income.

Source: Author (2025)

In an effort to optimize waste retribution as a source of increasing Regional Original Income (PAD), it is important to understand the various factors that influence the success of retribution collection. Based on literature studies from several other regions and observation results in Karang Berombak Village, Medan City, the following are the main findings and relevant discussions:

1) Planning and Supervision

A study by Tumija et al. (2019) showed that waste collection planning has been implemented quite well. However, the weak monitoring system makes the implementation

of collection in the field ineffective. A similar thing was also found in Karang Berombak, where the lack of supervision from the sub-district and the Cleaning Service resulted in a lack of consistency in collecting the levy. Some residents did not even know that the cleaning levy was mandatory, indicating a weak monitoring and follow-up system.

2) Community Awareness and Participation

Research by Said & Firman (2022) highlights the importance of public awareness of the obligation to pay levies. Lack of socialization results in very low public participation. This condition was also found in Karang Berombak Village, where many people are still unaware of the importance of waste levies as a contribution to regional development. The lack of strict sanctions also worsens public compliance. Therefore, increasing public education routinely is crucial.

3) Quality of Service and Availability of Facilities and Infrastructure

According to Safitri & Zulkarnaini (2022), physical limitations and skills of officers and lack of coordination between scavengers and retribution officers have an impact on the low realization of retribution. This is in line with the conditions in Karang Berombak, where the waste collection fleet is limited and the collection system has not been running consistently. Residents complained about the irregular collection schedule, so they were reluctant to pay retribution which was considered not commensurate with the service received.

4) Regulation and Innovation of the Voting System

In a study by Priadi & Subagiyo (2024), one strategy to overcome the decline in revenue from levies is through intensive socialization and revision of more humane levies policies. In Karang Berombak, technical regulations regarding the amount of tariffs and payment mechanisms have not been optimally socialized. The potential for implementing a digitalization system in collecting levies has not been optimally utilized. In fact, digitalization has the potential to increase transparency and ease of payment, especially for the younger generation who are familiar with technology.

5) Human Resource Capacity

Increasing the capacity of retribution collectors greatly influences the effectiveness of implementation. This has been confirmed in several previous studies. In Karang Berombak, cleaning officers generally have a high workload without special training on persuasive approaches to the community. Coordination between field officers, neighborhood heads, and related agencies is still sectoral and not yet synergistic.

Strategic Implications for Wave Reef

Based on the discussion above, the strategy for optimizing waste retribution to increase PAD in Karang Berombak Village should include five main approaches:

- 1) Strengthening Planning and Supervision: It is necessary to form a monitoring and evaluation team for the collection of levies that actively carries out checks and validations in the field.
- 2) Increasing Public Awareness: Through regular outreach programs, sub-district social media, and approaches through local community leaders.
- 3) Improvement of Service Quality and Facilities: Addition of garbage fleet, improvement of collection schedule, and provision of clean and easily accessible temporary disposal sites.
- 4) Regulatory Reform and Digitalization: Drafting Village Regulations or Derivative Regional Regulations regarding technical levies, while developing a digital payment system based on QRIS or RT-based applications.
- 5) Human Resources Competency Improvement: Implementing public communication and sanitation service management training for waste collectors and transporters.

Optimizing waste retribution does not only depend on policy, but also on the involvement of all parties. Synergy is needed between the village government, the community, and operational officers so that waste management can run effectively and contribute directly to increasing PAD. By implementing an integrated approach and based on field data, Karang Berombak has great potential to become a successful village model in waste retribution management.

5. Conclusion

Based on the results of the study and analysis conducted, it can be concluded that efforts to optimize waste retribution in Karang Berombak Village face several major challenges, including weak planning and supervision systems, low public awareness, limited sanitation facilities and infrastructure, less than optimal use of technology in the collection system, and lack of human resource capacity. These factors directly affect the level of community compliance in paying retribution and have an impact on the low contribution of this sector to Regional Original Income. However, the potential for increasing PAD from the waste retribution sector is quite large if improvements are made comprehensively and integrated.

References

- [1] S. Hingide, G. M. V. Kawung, and M. Th. B. Maramis, "Analysis of the Contribution of Regional Taxes and Regional Levies to Regional Original Income in Tomohon City," *Scientific Periodic Journal of Efficiency*, vol. 23, no. 9, Oct. 2023.
- [2] Minister of Home Affairs, Regulation Number 7 of 2021 concerning Procedures for Calculating and Determining Retribution Rates, 2021.
- [3] I. F. Priadi and A. Subagiyo, "Analysis of Household Waste Cleaning Levy Collection Strategy in Increasing Local Original Income in Bekasi City in 2021–2022," *Journal of Public Administration Science*, vol. 4, no. 2, pp. 107–114, 2024.
- [4] R. N. Safitri and Zulkarnaini, "Optimization of Cleaning Service Fee Collection in Pekanbaru City," *Cross-border*, vol. 5, no. 1, pp. 26–40, Jan.–Jun. 2022.
- [5] M. Said and A. Firman, "Strategy for Increasing Household Waste Retribution Revenue as a Source of Income in Manggala District, Makassar City," *Nobel Indonesia Master of Management Journal*, vol. 3, no. 5, pp. 817–831, 2022.
- [6] R. Simanjuntak, "Community Compliance in Payment of Waste Retribution," *Journal of Public Administration*, vol. 11, no. 1, pp. 33–40, 2023.
- [7] B. Siregar, *Public Sector Accounting*, 2nd ed. UPP STIM YKPN, 2017.
- [8] A. Sukanto and L. Wahyuni, "Optimization Strategy for Waste Retribution Revenue in Urban Areas," *Journal of Regional Finance*, vol. 8, no. 2, pp. 45–53, 2022.
- [9] Tumija, A. F. Ramadhan, and K. D., "Optimization of Waste/Cleanliness Service Retribution Collection in Increasing Local Original Income in Sumedang Regency, West Java Province," *Journal of Bureaucratic Media*, vol. 1, no. 1, pp. 187–201, Oct. 2019.
- [10] Government of Indonesia, Law Number 34 of 2000 concerning Regional Taxes and Regional Retributions.
- [11] Government of Indonesia, Law No. 18 of 2008 concerning Waste Management.
- [12] Government of Indonesia, Law Number 23 of 2014 concerning Regional Government.
- [13] Government of Indonesia, Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments.
- [14] R. Yuliana and H. Gunawan, "Digitalization of Waste Retribution to Increase PAD," *Journal of Public Service Innovation*, vol. 5, no. 1, pp. 20–28, 2024.
- [15] "Respon 'curhat' Lurah Karang Berombak, Antonius Tumanggor fights for the addition of 7 trash rickshaws," *Utama News*. [Online]. Available: https://utamanews.com/politik/Respon---039-curhat--039-Lurah-Karang-Berombak--Antonius-Tumanggor-fights-for-the-addition-of-7-trash-rickshaws?utm_source
- [16] "General Conditions of Karang Berombak Village," 123dok. [Online]. Available: https://text-id.123dok.com/document/7q0kd6ly6-general-conditions-of-karang-berombak-village-facilities-and-infrastructure-in-karang-berombak-village-organizational-structure-of-karang-berombak-village.html?utm_source