

## Multiactor Synergy in the Management of Traditional Markets in DKI Jakarta: a Collaborative Governance Study

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### Keywords

*Collaborative Governance, Jakarta,  
Local Government, Traditional  
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### ABSTRACT

The revitalization of traditional markets in DKI Jakarta is part of the local economic modernization efforts outlined in the regional strategic plan. However, the revitalization policy faces challenges in maintaining a balance between physical modernization and preserving the socio-economic functions of traditional markets. This study analyzes the synergy between the DKI Jakarta Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya in implementing the market revitalization policy using a collaborative governance approach. Through a qualitative study based on secondary data from planning documents, public forums, Pasar Jaya annual reports, and DPRD meeting minutes, this study examines seven collaborative variables that shape institutional synergy. The results indicate that process transparency has increased through the digitization of service systems such as JAKIOS and Pasar Jaya's public reporting. Facilitative leadership is evident in the active role of the DPRD and the Board of Directors in bridging the gap between the government, financial institutions, and traders. Social impacts are reflected in increased trader participation and micro-partnerships with Bank DKI. However, power imbalances persist in strategic policymaking. These findings emphasize the importance of shifting toward collaborative governance that is transparent, deliberative, and socially just.

Keywords: Traditional market; *collaborative governance* ;  
DPRD; Perumda Pasar Jaya; transparency; Jakarta.

### INTRODUCTION

*Traditional markets* play a crucial role in the people's economic structure, not only providing access to affordable basic necessities but also serving as social spaces where cultural interactions, community solidarity, and small-scale economic activity take place (Asra et al., 2023; Chebii et al., 2020; Gaol & Ichsan, 2022; S. Lee, 2017; Suhud et al., 2020). However, with rapid urbanization and urban modernization, *traditional markets* face various challenges, such as intense competition from modern retailers, limited infrastructure, and weak managerial governance, which have caused many markets to lose their competitiveness and social function. Therefore, revitalizing *traditional markets* is a strategic step to strengthen competitiveness, improve the quality of infrastructure and services, while maintaining the market's socio-economic function as a living space for urban residents. The goal is not only physical modernization but also ensuring that markets remain inclusive, resilient, and sustainable spaces for the people's economy amidst the pressures of urban commercialization (H. K.

Lee, 2019; Lubis & Lumbanraja, 2016; Poti & Mahadiansar, 2020; Rahmat, 2022; Saragih & Meak, 2022; Udjiyanto et al., 2023).

The Jakarta Provincial Government has prioritized the revitalization of *traditional markets* as a regional development priority. This is stated in the Jakarta Medium-Term Development Plan (RPJMD) for 2017–2022, which emphasizes strengthening the people's economy through the development of community-based economic spaces (Badan Perencanaan Pembangunan Daerah Provinsi Daerah Khusus Ibukota Jakarta, 2017). However, the implementation of revitalization policies has not always been optimal. Various obstacles have emerged, such as discontinuity between programs, weak cross-agency coordination, and limited participation of market players in the policy formulation process. The realization of the *traditional market* revitalization program in Jakarta demonstrates that collaborative synergy between the Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya is key to successful implementation. Based on media reports and the Perumda Pasar Jaya annual document (2023), the revitalization of several markets, such as Tanah Abang Market Block F, Mayestik Market, and Senen Market, has increased visitor comfort, improved sanitation systems and security, and expanded economic access for small traders. This synergy is demonstrated through the DPRD's support in budgeting and oversight processes, as well as the active role of Perumda Pasar Jaya as a technical implementer integrating the social, economic, and digital dimensions of the market.

Several previous studies have examined *traditional market* revitalization programs in various regions and shown that market restructuring cannot focus solely on physical aspects but must also consider social, managerial, and institutional dimensions. Nyoman et al. (2024) found that market relocation without multi-stakeholder collaboration creates conflicts of interest and illegal markets, so the involvement of all actors is needed to ensure sustainability. Pahlevi et al. (2023) emphasized the importance of business model innovation through the Business Model Canvas so that *traditional markets* remain competitive with the support of adaptive policies. Sari et al. (2021) stressed increasing the competitiveness of *traditional markets* through good governance, quality services, and empowering traders with government regulations' support. In line with that, Merlinda et al. (2020) showed that revitalization priorities lie in improving infrastructure, particularly waste management, as well as enhancing trader competence and management professionalism. Other studies have reinforced these findings by highlighting the serious challenges facing *traditional market* management, including regulation, implementation, and trader competitiveness.

Yoo and Kim (2019) emphasize that modernizing *traditional markets* is more effective in increasing sales if it focuses on accessibility, walkability, and visualization rather than merely uniform physical development. Prastyawan and Isbandono (2018) highlight the weak involvement of traders in revitalization, which creates resistance to politically oriented policies and increases in local revenue (PAD). Fatmawati and Lantu (2017) show that the revitalization of Cihapit Market in Bandung has not been effective due to limited funds, weak coordination, and minimal impact on traders' income despite improvements in the market's image. Regarding regulations, Haris et al. (2019) emphasize that the revitalization of *traditional markets* in Sumenep has not been optimal due to the absence of a legal umbrella and weak coordination across actors, resulting in a focus only on the physical aspects. Meanwhile, Giantari et al. (2017) emphasize the importance of strengthening trader capacity through innovation, training, and business networks so that *traditional markets* can compete with modern markets, which requires government policy support for sustainability.

However, although the issue of *traditional market* revitalization has been widely studied, very few studies specifically highlight the dynamics of cooperation between local governments, the Regional People's Representative Council (DPRD), and regionally-owned enterprises (BUMDes) in the process of structuring these markets. Synergistic collaboration between the executive and legislative branches is key to ensuring that modernization policies do not erode the people's values that have long been inherent in *traditional markets*. This gap in the literature emphasizes the importance of an in-depth study of the Collaborative Governance model in structuring *traditional markets*, especially in strategic areas such as DKI Jakarta. To address this challenge, this study uses the Collaborative Governance theory approach developed by Ansell and Gash (2008) to analyze how collaboration

between the DKI Jakarta Provincial Government, the DKI Jakarta DPRD, and Perumda Pasar Jaya is formed in participatory, deliberative, and public interest-oriented market governance practices. According to Ansell and Gash (2008), Collaborative Governance is a collective decision-making process involving public and non-public actors in a formal forum to achieve common goals through direct, participatory, and consensus-based interactions, emphasizing dialogue, trust-building, and shared commitment.

Through this analysis, the research is expected to provide theoretical contributions in strengthening the relevance of the Collaborative Governance model from Ansell and Gash (2008) in the context of urban market governance, particularly how the model can explain the dynamics of collaboration between government actors and local economic communities. Practically, this research contributes to the formulation of policy strategies that can strengthen coordination between local governments, the Regional People's Representative Council (DPRD), and Regional-Owned Enterprises (BUMD) in structuring socially just and sustainable people's markets. Therefore, this study aims to analyze collaborative governance manifested in the synergy between the DKI Jakarta Provincial Government, the DPRD, and Perumda Pasar Jaya in revitalizing *traditional markets*.

## **METHOD**

This research uses a qualitative approach with a case study design to deeply understand the synergy between the DKI Jakarta Provincial Government, the DKI Jakarta Regional People's Representative Council (DPRD), and Perumda Pasar Jaya in the arrangement of traditional markets, particularly in achieving a balance between modernization and preservation of traditional markets. This approach was chosen because it allows researchers to explore policy phenomena contextually and holistically, in accordance with the complexity of the inter-institutional collaboration process in public governance. DKI Jakarta was chosen as the case study location because it has unique characteristics as a national economic center with high urbanization dynamics, the largest number of traditional markets in Indonesia, and the complexity of policy actors involving local governments, DPRD, BUMD, and the trading community. These conditions make Jakarta representative for testing the relevance of the Collaborative Governance model in the context of urban economic governance. Qualitative case studies also allow the use of theory as an interpretive lens to the data, and can be used for descriptive, explanatory, and exploratory purposes (Priya, 2021).

The data in this study were collected through document analysis and semi-structured interviews. The document analysis included a review of the 2017-2022 DKI Jakarta Regional Medium-Term Development Plan (RPJMD), the 2017-2022 RPJMD Mid-Term Evaluation, the 2023-2026 Regional Development Plan (RPD), the 2023-2026 RPD Public Consultation Forum Minutes, the Jakarta Regional People's Representative Council (DPRD) Commission B working meeting minutes, and the 2022-2023 Perumda Pasar Jaya Annual Report. Interviews were conducted with key informants, namely Perumda Pasar Jaya employees, to enrich the context of document interpretation. The interview process was conducted ethically by maintaining the confidentiality of the informant's identity and obtaining prior approval.

In this context, the 2017-2022 DKI Jakarta Regional Medium-Term Development Plan (RPJMD) not only serves as the primary reference document because it contains market revitalization programs, but also presents a development planning approach based on four approaches: technocratic, participatory, political, and top-down and bottom-up (RPJMD 2022, 30). This approach provides methodological legitimacy for the involvement of various stakeholders, including the Regional People's Representative Council (DPRD), merchant associations, and civil society in the policy formulation process. Furthermore, the RPJMD serves as a strategic guideline for the preparation of other planning documents such as the Regional Government Work Plan (RKPD) and the Regional Work Unit (SKPD) Strategic Plan (Renstrat), and is directly linked to the Regional Long-Term Development Plan (RPJPD 2005-2002) and the Regional Spatial Plan (RTRW 2030) (RPJMD, 34-35). Institutional synergy in market planning cannot be separated from the integration of these documents.

The data analysis process was conducted using thematic analysis techniques. The analysis phase began with a thorough reading of all documents, coding key sections, identifying narrative patterns, and extracting key themes related to the research focus. *Collaborative Governance Theory* (Ansel & Gash, 2008) was used as an analytical framework to interpret the dynamics of synergy between government actors. Data validity was strengthened through triangulation of document sources, interviews, and literature reviews to ensure consistency and clarity in the interpretation of the phenomena studied.

**Table 1. Indicators of Success of Government and DPRD Synergy in Arranging Traditional Markets**

No.	Collaboration Aspects	Indicator
1.	Inclusive Participation	Involvement of cooperatives/trader associations in planning forums
2.	Process Transparency	Open availability of policy and decision information
3.	Balance of power	Equal access to negotiations between the government, DPRD, and market communities
4.	Facilitative Leadership	The role of the DPRD as a mediator and liaison for aspirations
5.	Building trust	The existence of face-to-face dialogue space and regular mediation forums
6.	Sustainability Commitment	Strengthening community institutions and long-term coalitions
7.	Social Impact	Reduction of relocation conflicts, increasing the competitiveness of small traders

Source: based on the Collaborative Governance framework Ansell and Gash, (2008)

## RESULTS AND DISCUSSION

### Revitalizing Traditional Markets: Between Modernization and Social Preservation

The revitalization of traditional markets in DKI Jakarta is part of the strategic program of the DKI Jakarta Provincial Government as outlined in the 2017-2022 Regional Medium-Term Development Plan (RPJMD) and continued in the 2023-2026 Regional Development Plan (RPD). (BADAN PERENCANAAN PEMBANGUNAN DAERAH PROVINSI DAERAH KHUSUS IBUKOTA JAKARTA, 2023) The government positions traditional markets as distribution hubs for basic goods, centers for strengthening MSMEs, and as part of the transformation of urban spaces integrated with public transportation systems (RPJMD, 230-234). Market development is carried out through infrastructure improvements, integration of transportation modes based on the Transit Oriented Development (TOD) concept, and digitization of transaction systems. However, this modernization approach faces challenges in maintaining the social and cultural functions of traditional markets. The Mid-Term Evaluation (EPW) of the 2017-2022 RPJMD shows that many revitalization programs were delayed due to budget refocusing during the COVID-19 pandemic. (Pemerintah Provinsi DKI Jakarta, 2020) This has resulted in suboptimal achievement of targets for strengthening the micro economy and protecting existing traders (EPW, 51-54). In this situation, synergy between the Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya is crucial, not only in the context of technocratic planning, but also in maintaining support for the poor. In the context of the RPJMD (Regional Medium-Term Development Plan), the revitalization of traditional markets is not merely a physical project, but also an indicator of the success of the Governor and the Regional People's Representative Council (DPRD) during the 2017-2022 term. The RPJMD document explicitly states that the success of regional development must be evaluated

through synergy between program implementation by Regional Government Agencies (SKPD) and oversight and policy initiation by the DPRD (RPJMD, 31). Thus, the DPRD's position is not merely as a supervisor, but also as a strategic partner in determining the direction and sustainability of market development programs.

Post-revitalization, a form of market modernization is visible through the implementation of a digital transaction system based on the JAKIOS application, which “supports cashless transactions, trader data mapping, and online market information management” (Perumda Pasar Jaya Annual Report 2023, 94). (Pasar Jaya, 2023) Furthermore, digital vendor data management is being implemented to “ensure the validity of kiosk ownership and transparency in the rental process” (Perumda Pasar Jaya Annual Report 2023, 88). In line with this, the DKI Jakarta Provincial Regional Development Plan (RPD) for 2023–2026 also emphasizes the importance of “arranging market blocks, improving sanitation facilities, and improving air circulation systems in revitalized markets” (RPD 2023–2026, 420–421), demonstrating a policy orientation toward improving the quality of the market environment and spatial efficiency. Furthermore, social preservation remains a primary concern through the policy of “prioritizing existing vendors to return to trading in revitalized locations” and strengthening “partnerships between cooperatives and MSMEs in managing economic activities in the market environment” (Perumda Pasar Jaya Annual Report 2023, 89–90). This commitment to preserving the social function of the market is also realized through activities such as “people's bazaars, entrepreneurship training, and community-based economic empowerment” (Perumda Pasar Jaya Annual Report 2022, 78). (Pasar Jaya, 2022)

These efforts demonstrate that the physical modernization carried out through market revitalization in DKI Jakarta does not eliminate the market's social function as a space for people's economic interaction, but rather strengthens the integration between modern management efficiency and local community solidarity. This is inseparable from the close collaboration between the Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya, which plays a role in maintaining a balance between development interests and the socio-economic sustainability of market communities. Therefore, an in-depth analysis of institutional dynamics within the framework of Collaborative Governance is an important reference for understanding the effectiveness of traditional market revitalization policies in DKI Jakarta.

### **Institutional Synergy within the Framework of Collaborative Governance**

The concept of Collaborative Governance proposed by Ansell and Gash (550–561) emphasizes that the success of collaboration in public policy depends on the actors' ability to build inclusive, transparent, equitable, and outcome-oriented processes. Within this framework, collaborative governance is not merely administrative coordination, but rather a deliberative process that emphasizes face-to-face dialogue, trust-building, commitment to the process, and the achievement of intermediate outcomes as prerequisites for long-term success. This model is relevant for analyzing the synergy between the DKI Jakarta Provincial Government, the DKI Jakarta Regional People's Representative Council (DPRD), and Perumda Pasar Jaya, because the relationship between these actors is interdependent. The Provincial Government has the authority to plan and source policy resources; the DPRD serves as a political institution that bridges public aspirations and ensures accountability; while Perumda Pasar Jaya is tasked with implementing policies and interacting directly with the market community. This role structure aligns with the regional governance principles outlined in the 2017–2022 Jakarta Regional Medium-Term Development Plan (RPJMD), which mandates that development must be implemented through technocratic, participatory, and political approaches, as well as top-down and bottom-up approaches (RPJMD, 30–35). This policy framework emphasizes that the success of the market revitalization program is measured not only by physical achievements but also by inter-institutional integration in the planning and implementation processes.

Through seven key Collaborative Governance variables—namely, inclusive participation, process transparency, balance of power, facilitative leadership, trust-building, sustained commitment, and social impact—this study explores how relationships between these actors are formed and operate within traditional market revitalization policies in DKI Jakarta. Each variable serves as an analytical

lens to interpret collaboration patterns, both those that strengthen and those that limit the effectiveness of institutional synergy. The following section presents Table 1.2 Key Findings of the Successful Synergy between the Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya, which summarizes the interrelationships between each collaboration variable, empirical findings from official documents, and the underlying policy sources. This table serves as the basis for further analysis in the discussion to assess the extent to which Collaborative Governance principles are realized in market revitalization governance practices in DKI Jakarta.

**Table 2. Table of Findings on Key Success Factors**

Variables	Findings	Narrative Evidence	Source
Inclusive Participation	Participation of local traders and the community in market activities	"A trader is any Indonesian citizen or business entity... who is granted the right to use a business premises or the right to rent a business premises by the Pasar Jaya Regional Public Company to trade goods/services."	Perda No. 7 tentang Pengelolaan dan Pengembangan Usaha Perusaham Umum Daerah Pasar Jaya Tahun 2018(Article 1)
		"Regional development planning is carried out by taking into account community aspirations through development planning deliberation forums and public consultation forums."	(Regional Secretary of DKI Jakarta Province, 2025)
		"Traditional markets remain the primary venue for local traders to conduct business. The government and various community organizations continue to support local partnerships and entrepreneurship in traditional markets, hoping to improve the economic well-being of small and medium-sized traders."	Perumda Pasar Jaya Annual Report 2023
Process Transparency	Digital service and achievement indicators	" Empowerment program for medium, small and micro enterprises (MSMEs): Percentage of new entrepreneurs who are resilient and independent... MSME development program: Percentage of digitalized MSMEs."	DKI Jakarta Provincial Regional Budget 2023-2026, 395-398
		"To provide convenience and transparency for the public, all government-owned sports facilities can now be booked online, and this online booking system will be gradually enhanced and perfected."	DKI Jakarta Province Regional Budget 2023-2026, 422
		"Launching JAKIOS and Digitalization of Kramat Jati Market"	Perumda Pasar Jaya Annual Report 2023
		"All information in the Perumda Pasar Jaya 2022 Annual Report is presented in full and the Company is fully responsible for the accuracy of the contents of the Company's Annual Report . "	Perumda Pasar Jaya Annual Report 2022

Balance Power	of Management structure and relationships between actors	"KPM is the Pasar Jaya Organ that holds the highest authority in Pasar Jaya and holds all authority that is not delegated to the Board of Directors or the Supervisory Board."	Regulation of the Governor of the Special Capital Region of Jakarta Number 89 of 2021 concerning the Organization and Work Procedures of the Pasar Jaya Regional Public Company in 2021 (Article 1)
		"The Supervisory Board is the Pasar Jaya Organ tasked with supervising and providing advice to the Board of Directors in carrying out the Company's management activities."	DKI Jakarta Province Regional Budget 2023-2026, 397-398.
Facilitative Leadership	The head of the institution plays a coordinating role, acting as a liaison between actors, and as a collaboration facilitator.	"The Board of Directors is tasked with carrying out all actions related to the management of Pasar Jaya for the interests of Pasar Jaya and in accordance with Pasar Jaya's aims and objectives as well as representing Pasar Jaya, both inside and outside the court ."	Governor Regulation No. 89 of 2021 concerning the Organization and Work Procedures of the Pasar Jaya Regional Public Company (Article 8 Paragraph 1)
		<p>"In carrying out the duties as referred to in paragraph (1), the Board of Directors shall carry out the following:</p> <ul style="list-style-type: none"> <li>a. Strive for and ensure that Pasar Jaya's business and activities are carried out in accordance with its aims and objectives and business activities;</li> <li>b. Preparing Pasar Jaya business plan and Pasar Jaya work plan and budget</li> <li>c. Submit a report to the Supervisory Board and KPM regarding the development and results of Pasar Jaya's business. "</li> </ul>	Governor Regulation No. 89 of 2021 concerning the Organization and Work Procedures of the Pasar Jaya Regional Public Company (Article 8 Paragraph 2)
		"The Board of Directors continues to encourage all market units to strengthen collaboration with strategic partners, including the government, financial institutions, and local communities. "	Annual Report of Perumda Pasar Jaya 2023.
Building Trust	Participatory approach in the preparation of the RPJMD.	"Participatory planning is absolutely necessary to capture the aspirations of Jakarta residents in annual and five-year development. Participatory planning is one approach in the planning process, as stipulated in Law Number 25 of 2004 concerning the National Development Planning System. Participatory planning implemented in DKI Jakarta Province prioritizes providing opportunities for the broadest possible community participation so they can participate in the bottom-up decision-making process for the common good."	Jakarta's 2017-2022 Regional Medium-Term Development Plan

<b>Sustainability Commitment</b>	External barriers to the revitalization program.	"The achievement of several revitalization programs was delayed due to the refocusing of the COVID-19 budget."	Mid-Term Evaluation of the 2017-2022 DKI Jakarta Provincial RPJMD, 51-54.
<b>Social Impact</b>	Trader protection and traditional market contributions.	"Market management and development as referred to in paragraph (1) is aimed at: b. improving market services to the community by creating a clean, safe, comfortable, fair and competitive market in a gradual and sustainable manner."	Regional Regulation No. 7 concerning the Management and Development of the Regional Public Company Pasar Jaya in 2018. (Article 2)
		"Achievements towards the targets of strengthening the micro economy and protecting existing traders have not been optimal due to the COVID-19 pandemic. "	Midterm Evaluation of the 2017-2022 DKI Jakarta Provincial RPJMD, 51-54
		"Traditional markets can be revitalized to showcase local products and traditional crafts, promote cultural heritage and support local traders."	Annual Report of Perumda Pasar Jaya 2023.

Referring to the Collaborative Governance framework (Ansell & Gash, 2008), the synergy between the DKI Jakarta Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya in managing traditional markets demonstrates how interactions between public actors can shape more inclusive and socially oriented governance. Seven key variables: inclusive participation, process transparency, balance of power, facilitative leadership, trust-building, sustainable commitment, and social impact serve as the foundation for understanding the patterns of collaboration occurring at the regional level.

### **Inclusive Participation**

Analysis of the inclusive participation dimension shows that the Musrenbang forum, public consultation forums, and trader partnerships in market revitalization policies are the main arenas for collaboration between local governments, the Regional People's Representative Council (DPRD), and market communities. This mechanism allows non-governmental actors, particularly traders and market cooperatives, to participate in developing the revitalization agenda and provide input on policy design and implementation. In the theory of Collaborative Governance, Ansell and Gash (2008) emphasize that inclusive participation is a deliberative process in which every actor has an equal opportunity to express aspirations, participate in decision-making, and influence policy outcomes. Participation is not merely interpreted as tokenistic involvement, but as substantive inclusion that strengthens trust and legitimacy of public policy.

In the context of DKI Jakarta, this form of substantive participation is reflected in the practice of Perumda Pasar Jaya, which "continues to make traditional markets the primary venue for local traders to conduct business, with support for local partnerships and entrepreneurship" (Perumda Pasar Jaya Annual Report 2023, 87). The active involvement of traders and cooperatives in this partnership program demonstrates that policy decisions are not solely bureaucratic in origin, but also reflect the aspirations of the market communities directly affected. Thus, inclusive participation serves not only as a formal planning instrument but also as a means of building a sense of shared ownership of the direction of market revitalization.

### **Transparency of Processes**

Increasing transparency in traditional market governance in Jakarta is not only achieved through the publication of financial data or annual reports, but also through the use of digital systems to

expand access to information for market players. The Jakarta Provincial Regional Development Plan (RPD) for 2023–2026 includes the policy of “Developing Digitalized MSMEs” as an indicator of regional economic transformation, which is implemented through the market digitalization program run by Perumda Pasar Jaya. Perumda Pasar Jaya's 2023 Annual Report describes the development of the JAKIOS (Jakarta Kios Online System) online system, which enables kiosk rental registration, vendor data management, and complaint submission to be carried out transparently and documented (Annual Report 2023, p. 94). This system expands public information transparency while creating a two-way communication mechanism between market managers and vendors. Through digital channels and an online helpdesk, vendors can report facility issues, service delays, and requests for revitalization of specific areas, which then serve as input for program improvements.

Within the framework of Collaborative Governance, this form of transparency not only strengthens administrative accountability but also creates a new, technology-based deliberative space. Ansell and Gash (2008, 555) explain that transparency is a crucial prerequisite for building mutual understanding among collaborative actors, as open information reduces suspicion and increases trust. This finding aligns with Fatmawati and Lantu's (2017) study on the revitalization of Cihapit Market in Bandung, which showed that a lack of transparency in zoning and financing decisions led to vendor resistance and delayed program implementation. Conversely, Yoo and Kim's (2019) research in Korea found that digitizing traditional market management through an online reporting system increased policy legitimacy and expedited the resolution of public complaints. Thus, technology-based transparency in DKI Jakarta positions markets as open public spaces, where policies are not solely controlled by the bureaucracy but also participatorily monitored by the market community itself.

### **Balance of Power**

The market governance structure in DKI Jakarta has normatively divided authority proportionally between the Provincial Government as the capital owner, the Supervisory Board as the strategic policy controller, and the Pasar Jaya Board of Directors as the operational implementer. However, this balance is only formal and has not yet been fully realized in collaborative practice. Within the framework of Collaborative Governance, Ansell and Gash (2008, 551) emphasize the importance of power-sharing arrangements—power-sharing mechanisms that enable actors with dominant resources to empower others, leading to mutual empowerment. In the context of DKI Jakarta, power-sharing efforts are beginning to be seen through the quarterly oversight of the performance of regionally-owned enterprises (BUMD) by the Regional People's Representative Council (DPRD) and the Supervisory Board (Perumda Pasar Jaya Annual Report 2023, 15–16). This evaluation addresses not only financial achievements but also the progress of revitalization and social engagement of traders. When revitalization or revenue targets are not achieved, the Board of Directors is required to submit a performance report and improvement plan in an inter-agency coordination meeting, which then serves as the basis for policy adjustments and DPRD recommendations in the subsequent APBD deliberations.

mechanism demonstrates a form of accountability loop between policy implementers and controllers, although it has not been accompanied by a participatory mechanism directly involving trader associations. However, at the implementation level, power relations still exhibit asymmetry. Strategic decision-making processes such as zoning, rental rates, and market system digitization remain predominantly top-down, with limited room for trader deliberation. This situation demonstrates that power sharing at the institutional level has not fully transformed into shared decision-making at the field level. Therefore, the design of collaborative forums that directly involve traders needs to be strengthened so that the balance of power does not stop at the administrative level but rather becomes a deliberative practice that ensures equality of actors in traditional market revitalization.

### **Facilitative Leadership**

Facilitative leadership demonstrates that the effectiveness of collaboration in managing traditional markets in Jakarta depends heavily on the leader's ability to bridge cross-institutional interests. Within

the framework of Collaborative Governance, Ansell and Gash (2008, 554–555) explain that facilitative leadership plays a role in building trust, mediating conflict, and ensuring that all actors have equal space in decision-making. In this context, the Board of Directors of Perumda Pasar Jaya and the Jakarta Regional People's Representative Council (DPRD) play a dual role—as policy implementers and mediators between the bureaucracy, financial institutions, and the trading community. This kind of leadership is reflected in a number of strategic cross-agency initiatives, such as the Pasar Jaya-Bank DKI partnership in micro-financing for traders, collaboration with the Department of Food Security, Maritime Affairs, and Agriculture (KPKP) on food security programs, and coordination with the Department of Cooperatives, Small and Medium Enterprises (KUKMP) regarding the empowerment of fostered MSMEs. The Board of Directors' facilitative role is not only administrative, but also creates a coordinating space that allows for the effective synergy of financial and social resources.

In the 2023 Perumda Pasar Jaya Annual Report, the Board of Directors stated that “every collaborative program is directed at ensuring direct benefits for traders through increased access to financing, business assistance, and service digitalization” (87). This statement is reinforced by the results of an interview with a Pasar Jaya employee (interview, June 2025) who emphasized that the Board of Directors “actively facilitates communication between traders and government agencies when there are technical problems in the field, such as kiosk adjustments or relocation obstacles.” This testimony shows that facilitative leadership operates not only through formal structures, but through direct coordination practices that maintain continuity of dialogue between actors. Thus, facilitative leadership at Pasar Jaya can be understood as a form of policy brokerage that connects executive policies with the socioeconomic needs of market participants. However, challenges remain in maintaining consistent cross-agency coordination to avoid bureaucratization and overlapping authority, which can slow down responses to issues on the ground.

### **Building Trust**

Building trust demonstrates that the success of collaboration between the DKI Jakarta Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya is largely determined by consistent dialogue and shared commitment in the process of formulating market revitalization policies. Within the framework of Collaborative Governance theory, Ansell and Gash (2008, 553–555) assert that trust is built gradually through three phases: face-to-face dialogue that creates initial understanding, shared understanding through agreement on shared values, and intermediate outcomes in the form of repeated commitments. In the context of DKI Jakarta, the face-to-face dialogue phase is realized through the implementation of public consultation forums and cross-sector coordination meetings involving the Regional People's Representative Council (DPRD), Regional Government Agencies (SKPD), and representatives of trader associations. Based on the Minutes of the 2023–2026 RPD Public Consultation Forum (3–6), this forum is held regularly every year as part of the regional development planning cycle. Working meetings of Commission B of the DKI Jakarta DPRD are also recorded as taking place at least five times a year with discussion topics on people's markets, MSMEs, and the performance of Regionally-Owned Enterprises (BUMD) (Minutes of Commission B of the DPRD 2022–2023). (*Perekonomian - BA Hasil Forum Konsultasi Publik RPD 2023-2026*, n.d.) The frequency of this dialogue indicates that the face-to-face mechanism between policymakers and market players is not ceremonial, but rather a recurring and structured deliberative forum. The shared understanding stage is reflected in the agreement between the Regional People's Representative Council (DPRD) and Pasar Jaya to prioritize “protecting existing vendors at every stage of revitalization” and “strengthening cooperatives as strategic market partners” (Pasar Jaya Annual Report 2023, 89). Meanwhile, intermediate outcomes are evident through the consistent continuity of the agenda from year to year, with the principles of vendor empowerment and participation consistently serving as key performance indicators in the 2023–2026 Regional Development Plan (RPD) (420–421). Thus, the trust-building process in DKI Jakarta has moved beyond the initial dialogue stage to the phase of repeated commitments, although it still needs to be

strengthened at the implementation level in the regional market so that the relationship between policy actors is not only formal, but also based on deep mutual trust.

### **Sustainability Commitment**

The dimension of sustainability commitment demonstrates that collaboration in the development of traditional markets in DKI Jakarta has been consistent across policy periods. Within the framework of Collaborative Governance, Ansell and Gash (2008, 557) emphasize that sustainable commitment is reflected in the actors' ability to maintain cooperation despite external pressures such as political change or fiscal constraints. In this context, the DKI Jakarta Provincial Government, together with the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya, demonstrated the continuity of the agenda by integrating market revitalization as a strategic priority in the 2017–2022 Medium-Term Development Plan (RPJMD), which was continued in the 2023–2026 Regional Development Plan (RPD, 421–422). This commitment is evident not only at the policy level but also at the institutional level. The partnership between the Jakarta Provincial Government and Perumda Pasar Jaya continues to be strengthened through community economic empowerment programs, entrepreneurship training, and market digitalization, despite fiscal refocusing during the pandemic. The Jakarta Regional People's Representative Council (DPRD) plays a role in maintaining policy continuity by ensuring the budget allocation for market revitalization is maintained in the annual regional budget (APBD) deliberations and through its oversight function regarding the implementation of regional-owned enterprise (BUMD) targets. Thus, this collaboration demonstrates a sustained commitment that is not merely symbolic but institutionalized in cross-period planning and budgeting. This consistency in policy direction strengthens trust among stakeholders and ensures that market revitalization does not stop at the physical project but continues as a long-term socio-economic development agenda in Jakarta.

### **Social Impact**

The collaboration between the DKI Jakarta Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya has generated new social value ( collaborative advantage ) that cannot be achieved sectorally. Within the framework of Collaborative Governance (Ansell & Gash, 2008, 560), this collaborative advantage is reflected in the enhanced function of traditional markets as both economic and social spaces for the community. The revitalization results show that markets are no longer merely places for transactions, but also platforms for empowerment through training, access to microfinance, and the adoption of digital technologies such as the JAKIOS system and Mayestik Customer Relationship Management (CRM) (Annual Report Perumda Pasar Jaya 2023, 91–94). Collaboration with Bank DKI expanded small-scale merchants' access to financial services and cashless systems, while a partnership with the Cooperatives and Small-Scale Enterprises (KUKMP) Office strengthened the capacity of MSMEs through mentoring and training (Annual Report 2023, 70–71, 97–98). These programs demonstrate that market revitalization not only increases economic competitiveness but also strengthens social cohesion and the sustainability of merchant communities. While not evenly distributed across the region, the findings indicate significant social transformation: vendors are empowered, community interactions are maintained, and traditional markets gain new legitimacy as part of the urban economic ecosystem. Thus, the social impact dimension of this collaboration underscores the role of participatory governance as a development instrument that is not only economically efficient but also socially inclusive in Jakarta.

### **CONCLUSION**

This study finds that the synergy among the DKI Jakarta Provincial Government, the Regional People's Representative Council (DPRD), and Perumda Pasar Jaya reflects a maturing collaborative governance in managing traditional markets, where revitalization integrates physical improvements with preserving socio-political functions. Progress is evident in inclusive participation,

transparency—boosted by digital tools like JAKIOS—facilitative leadership, and commitment to sustainability, enabling strategic partnerships and trader empowerment. However, challenges persist in balancing power dynamics, as small traders remain underrepresented in key decisions like zoning and digitalization, which often follow a top-down approach. Despite this, collaboration has led to better facilities, trader capacity building, and stronger socio-economic networks. Future research should explore mechanisms to enhance small traders' active involvement in decision-making and assess the long-term social equity outcomes of collaborative governance in traditional market management.

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