

# Regional Cooperation Governance in Urban Economic Development: A Strategic Study in Pangkalpinang City

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**Abstract.** *The city government of Pangkalpinang faces various urban challenges such as disparities in public services, inflationary pressures, and low competitiveness in strategic sectors. To address these issues, the city has implemented inter-regional and cross-sectoral cooperation aimed at strengthening development governance. This study seeks to analyze the forms of regional cooperation in the economic sector and their contribution to sustainable development. A mixed-methods approach was employed, focusing on eight Key Performance Indicators (KPIs). The findings reveal that the cooperation encompasses infrastructure development, economic and tourism promotion, metrological services, distribution of staple goods, waste-to-energy management, and fishery quality assurance. The partner satisfaction indicator recorded the highest performance score of 99.82%, indicating an effective partnership relationship. However, other indicators such as active agreements, inter-regional innovation, integrated planning, and MSME development scored below 50%, reflecting persistent challenges in coordination and institutional capacity. This suggests that although regional cooperation has had a positive impact on service efficiency and the local economy, substantial challenges remain. Future efforts should focus on strengthening joint planning, fostering innovation, enhancing collaboration, and empowering the microeconomic sector to ensure that regional cooperation becomes more inclusive and sustainable, positioning Pangkalpinang as a regional growth center in the Bangka Belitung Islands.*

**Keywords:** *Collaboration, Economy, Innovation, Regional Cooperation, Pangkalpinang City*

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## INTRODUCTION

The decentralization of governance, as regulated under Law Number 23 of 2014 on Regional Government, offers broad opportunities for local governments to develop innovative strategies to enhance public welfare (Rumbach, 2016). Within this framework, inter-regional cooperation emerges as a highly relevant strategic approach to address various development challenges, especially in dynamic urban areas such as Pangkalpinang City (Mahani et al., 2022). Regional cooperation is not only perceived as an administrative coordination effort but also as a cross-regional development instrument capable of generating policy synergies, strengthening economic connectivity, and accelerating the structural transformation required by medium-sized cities in Indonesia. As the administrative and economic hub of the Bangka Belitung Islands Province, Pangkalpinang faces complex dynamics in its economic development.

High open unemployment rates, inter-regional disparities, and the dominance of the mining sector as the mainstay of the local economy reflect a dependence on a fragile and

unsustainable economic structure (Agil & Ansori, 2024). According to Andana & Saputra (2025), This condition is exacerbated by the suboptimal management of high-potential sectors such as marine tourism, fisheries, trade services, and the creative economy, all of which hold significant promise for driving economic diversification. Weak strategic planning, infrastructure limitations, and low investment capacity remain unresolved barriers. Furthermore, the inter-regional cooperation networks that could expand market access, strengthen supply chains, and improve regional connectivity have not been fully developed by the city government (Wibhawani et al., 2016). These challenges reflect a weak institutional understanding of the urgency of regional cooperation as a solution for accelerating inclusive and sustainable economic growth.

The Pangkalpinang City government has yet to fully map governmental functions based on its unique local potentials, which could serve as a foundation for establishing strategic collaborations with other regions. Additionally, the planning of priority sectors for cooperation remains incomplete, hindering the potential for synergistic development with neighboring districts and cities due to limited vision and technical capacity (Nelles, 2013; Lin et al., 2025). On the other hand, the readiness of human resources in designing and managing regional cooperation also presents a challenge (Issundari & Yani, 2019). Limited bureaucratic competence, minimal innovation, and weak cross-sector coordination have resulted in cooperative efforts that tend to be formal in nature and lack direct impact on improving public welfare (Stadler & Karakulak, 2020). In this context, regional cooperation should be directed toward addressing real urban economic development challenges through collaboration that strengthens the service and trade sectors Pangkalpinang City comparative advantages as a logistics and goods distribution hub in Bangka Island. Synergies in port development, regional market integration, and the enhancement of transportation networks are key to optimizing the city's strategic role.

Similarly, the marine tourism sector, which holds significant appeal, has yet to be developed through integrated inter-regional promotional networks (Zulfikar & Jumiati, 2020). Cooperative efforts in regional tourism packaging, joint tourism infrastructure investments, and the strengthening of collective cultural identity can serve as promising pathways for economic transformation. Moreover, the development of small and medium industries based on local resources, such as seafood processing and traditional crafts can be enhanced through regional collaboration in financing, training, and product distribution (Kleih et al., 2013). These efforts are increasingly urgent given the low local labor absorption rate and the lack of an integrated entrepreneurial ecosystem.

If the economic and development issues in Pangkalpinang City are not addressed through a collaborative approach and systematic regional cooperation, existing disparities will widen, and the achievement of regional development goals will be delayed. Therefore, this study aims to critically analyze the contribution of regional cooperation in supporting Pangkalpinang City economic development. It also seeks to identify the structural and institutional barriers that hinder inter-regional cooperation and propose more adaptive, locally driven policy approaches. The findings are expected to offer both theoretical and practical contributions to strengthening regional cooperation governance, particularly in the context of urban economic development in Indonesia (Mudiparwanto & Gunawan, 2022).

## **METHODS**

This study employs a mixed-methods approach, integrating both qualitative and quantitative methods to obtain a comprehensive understanding of interregional cooperation policies in urban areas, with a particular focus on the economic sector in Pangkalpinang City. The qualitative component explores the dynamics of policy implementation, the roles of various stakeholders, interregional coordination processes, and the perceptions of both local communities and economic actors regarding the outcomes of such policies. This approach is essential to capture the socio-political context, identify implementation barriers, and uncover opportunities for strengthening interregional synergy. Concurrently, the quantitative approach

is used to measure the effectiveness and impact of the policy by employing Key Performance Indicators (KPIs). The KPIs aim to provide an objective overview of policy success in enhancing various aspects of the local economy, such as investment, development of micro, small, and medium enterprises (MSMEs), public transportation, waste management, and the tourism sector (Baidawi & Iswandi, 2021). KPI analysis is conducted using mathematical formulas designed to assess the progress and performance of policy implementation. Several fundamental formulas are utilized in the analysis, including but not limited to:

$$\text{Performance Achievement (\%)} = \frac{\text{Realization}}{\text{Target}} \times 100$$

$$\text{Gap Analysis} = \text{Realization} - \text{Target}$$

This formula identifies the degree to which performance falls short of or exceeds the established targets.

$$\text{Time Progress (\%)} = \frac{\text{Current Achievement}}{\text{Annual Target}} \times 100$$

This calculation is essential to assess the alignment between current achievement and the timeline of implementation. The results of the KPI analysis are then classified into qualitative performance categories, such as very good, good, fair, poor, and very poor, based on a scale of achievement. These classifications are compiled into an aggregate performance score by calculating the average score across all indicators. By integrating both qualitative and quantitative approaches, this research aims to produce an analysis that is not only descriptive and normative but also supported by measurable data and systematic performance evaluation. This ensures that the resulting policy recommendations are grounded not merely in perception but also in verified quantitative outcomes. To obtain comprehensive data on the implementation of interregional cooperation in the fields of economy and investment in Pangkalpinang City, the study employs in-depth interviews, questionnaire distribution, and field observations. Furthermore, spatial mapping of cooperation is conducted to analyze the geographic distribution of regions engaged in economic partnerships with Pangkalpinang. This mapping also identifies innovative cooperation models involving private sector entities, regional-owned enterprises (BUMD), and interregional collaboration schemes based on local economic potential. The analysis assesses both the implementation process and the outcomes of cooperation initiatives, offering a comprehensive overview of performance and future strategic directions.

Table 1. Key Performance Indicators Used in the Assessment of Interregional Economic Cooperation in Pangkalpinang City

KPI	Description	Statement
Number of active interregional cooperation agreements	Measures the number of valid and relevant MoUs/MoAs between regions or with private partners	Base line: Initial values achieved for each indikator Target: Defined performance target Progress (%): Ongoing achievements Performance (%): Cumulative performance score
Rate of cooperation program realization	Percentage of successfully implemented activities from the total cooperation plan	
Partner satisfaction level	Satisfaction level of cooperation partners (other regions, private sector) regarding implementation	
Investment generated from cooperation	Total investment value attracted to Pangkalpinang through interregional cooperation	
Number of interregional innovation programs	Number of new economic initiatives emerging from interregional collaboration	
Degree of integration in interregional development planning	Extent to which planning documents (e.g., RPJMD, Strategic Plans) integrate interregional cooperation	

Number of interregional coordination forums	Measures the intensity of formal meetings organized by joint institutions or secretariats to discuss economic development	
Number of MSMEs supported through interregional cooperation	MSMEs that receive support because of interregional collaboration	

## RESULTS AND DISCUSSION

### Characteristics of Urban Economic Challenges Driving Regional Cooperation Initiatives in Pangkalpinang City

Based on data from the Central Bureau of Statistics and regional development reports, the Gross Regional Domestic Product (GRDP) growth rate of Pangkalpinang City in 2023 was recorded at 5.32%, declining from 6.21% in the previous year. This downward trend indicates structural constraints within the city's economy, particularly in the trade, transportation, and interregional cooperation sectors. One major factor hindering growth is the limited quality and affordability of public transportation, which disproportionately affects lower-middle-income groups (Radji, 2025). Although physical infrastructure development such as road construction has been carried out, it remains insufficient without coordinated cross-boundary collaboration. Theoretically, regional cooperation plays an essential role in addressing urban challenges that extend beyond administrative borders, such as traffic congestion, goods distribution, development disparities, and environmental degradation (Alfian & Vitaloka, 2018). Isolated local policies are no longer relevant when flows of goods, labor, services, and energy naturally cross Pangkalpinang's borders into surrounding buffer zones such as Bangka Regency, Central Bangka, South Bangka, and Belitung.

Therefore, a systematic, structured regional cooperation scheme based on formal regulatory frameworks is urgently needed. The development of integrated industrial zones, multi-centric logistics systems, and cross-regional tourism strengthening requires spatial synergy and intermodal connectivity that cannot be achieved by a single local government alone (Anwar et al., 2021). Furthermore, urbanization pressures leading to land-use changes, environmental degradation, and increased disaster risks demand collaborative governance based on regional resilience. Data from the Regional Disaster Management Agency (BPBD) indicate significant ecosystem degradation, highlighting the urgency of cross-boundary policy integration to support sustainable development. Although legal frameworks such as Law No. 23/2014 on Regional Government and Ministry of Home Affairs Regulation No. 22/2020 on Regional Cooperation Procedures are already in place, practical implementation in Pangkalpinang remains sectoral and has yet to be integrated into medium- and long-term planning documents. Therefore, establishing an official regional cooperation forum that can collectively determine interregional development priorities is crucial for driving inclusive and resilient economic growth.

Pangkalpinang has shown significant commitment to developing interregional and cross-sector cooperation as a strategic instrument to strengthen governance and enhance regional competitiveness. The cooperation schemes built are not merely administrative but also substantive, focusing on optimizing public services, accelerating sustainable development, and improving community welfare. Cooperation with South Bangka and Central Bangka Regencies focuses on integrated regional development, while technical agreements with West Bangka and East Belitung Regencies concentrate on implementing verification and re-verification services for measuring instruments to support the local business ecosystem and build public trust in economic transactions. Meanwhile, partnerships with Jambi City expand economic and tourism promotion networks, strengthening Pangkalpinang's leading sectors. Collaboration with Palembang City focuses on inflation control through monitoring the distribution of necessities, which is vital for price stability and food security. In the environmental sector, cooperation with PT PLN (Persero) UIW Bangka Belitung has led to innovative waste management by converting

landfill waste into Refuse-Derived Fuel (RDF) for waste-to-energy co-firing in power plants, aligning with low-carbon development goals.

In the fisheries sector, collaboration with the Fish Quarantine and Quality Control Agency under the Ministry of Marine Affairs and Fisheries aims to enhance quality assurance and product safety systems, with positive impacts on product standards, distribution efficiency, consumer protection, and the competitiveness of Pangkalpinang's fishery products in domestic and export markets (Olilingo & Arsana, 2021). Beyond the economic sector, Pangkalpinang has also actively built synergies with various local governments and institutions, indicating a broadening scope of cross-boundary cooperation. Overall, this collaboration offers strategic benefits, such as strengthening regional capacity, increasing the efficiency of public services, enhancing local economic competitiveness, and advancing inclusive and sustainable development. Such strategies reinforce Pangkalpinang's role as an economic and service hub within the Bangka Belitung Islands Province. Therefore, strengthening interregional governance is no longer optional but a strategic necessity to build an integrated and mutually supportive regional economic system that supports investment growth, interregional connectivity, urban problem-solving, and improved quality of life (Nugraha, 2022).

Table 2. Inter-Regional Cooperation Policies in Pangkalpinang City with Other Institutions and Local Governments

No	Region / Institution	MoU Numbers	Focus of Cooperation
1	South Bangka Regency Government	11/KB/PEM/SETDA/XII/2020 100/21/I/2020	Regional Development Cooperation
2	Central Bangka Regency Government	134.4/65/SETDA.PEM/2020 12/KB/PEM/SETDA/XII/2020	Regional Development Cooperation
3	West Bangka Regency Government	07/KB/PEM/SETDA/X/20214 15.2/27/SETDA/X/2021	Provision of verification and re-verification services for measuring instruments in West Bangka Regency
4	Jambi City Government	06/MoU/XI/KJS/2021 08/KB/PEM/SETDA/XI/2021	Promotion of Pangkalpinang's economic and tourism potential
5	Bangka Belitung Islands Provincial Government	134.4/31/I/2021 09/KB/PEM/SETDA/I/2021	Regional Development Cooperation
6	East Belitung Regency Government	011/PKS/I/BT/2023 119/006/PKS/KOPDAG/IV/2023	Implementation of verification and re-verification services in East Belitung Regency
7	Palembang City Government	415.4/06/KB/IV/2023 07/KB/PEM/V/2023	Monitoring of staple goods distribution to control inflation in Pangkalpinang
8	PT PLN (Persero) UIW Bangka Belitung	0003.MOU/HKM.02.01/C2500 0000/2022 30/KB/DLH/VI/2022	Waste management at Parit Enam Landfill to produce Refuse-Derived Fuel (RDF) for PLTU co-firing
9	Fish Quarantine, Quality Control, and Safety of Fishery Products Agency Ministry of Marine Affairs and Fisheries	10/NK/DKP/VII/2023 B.600/BKIPM/KS.310/VII/2023	Synergy and enhancement of the quality assurance and safety system for fishery products in Pangkalpinang

Source: Regional Cooperation Implementation Report of Pangkalpinang City 2024 (Researcher's Analysis, 2025)

However, despite Pangkalpinang's commitment to building interregional and cross-sector cooperation, the implementation pattern still faces fundamental shortcomings when examined through the lens of collaborative governance theory. According to Ansell & Gash in Nugraha (2022), effective regional collaboration must integrate three key elements: face-to-face dialogue, trust-building, and shared understanding, which are institutionalized through structured governance mechanisms. In Pangkalpinang's context, existing cooperation largely remains administrative and technical agreements and has yet to evolve into a policy network capable of addressing structural challenges such as limited public transport connectivity and development gaps across administrative boundaries. Furthermore, multi-level governance theory Hooghe & Marks as cited in Radji (2025), emphasizes that urban issues particularly mobility, goods distribution, and equal access to public services cannot be resolved by a single local government acting in isolation. Cooperation must be institutionalized through formal governance arrangements such as a metropolitan cooperation body or a strategic interregional area forum. Yet, in practice, such forums have yet to materialize in Pangkalpinang. Efforts such as instrument verification services, inflation control, or cross-regional tourism promotion do deliver technical benefits but fail to address the core issue of public transport, which remains a barrier to the mobility of low-income communities.

In addition, regionalism and new regionalism theories Keating as cited in Anwar et al. (2021) highlight that interregional cooperation should prioritize physical connectivity, spatial planning synergy, and functional area distribution. Pangkalpinang has not yet developed a concrete cross-boundary transport collaboration framework. Sectoral road construction alone is insufficient without integrated public transport routes, cross-budget subsidy management, and a harmonized logistics system. The RDF waste-to-energy initiative is indeed innovative, but waste issues are inherently cross-boundary; without a shared scheme with surrounding regencies, the full potential of renewable energy conversion remains underutilized. The same applies to the fisheries sector: quality control and post-harvest management should ideally involve other coastal regions within an integrated supply chain network. Pangkalpinang's regional cooperation still tends toward fragmented collaboration and has yet to transform into an integrated governance system as advocated in scientific literature. Moving forward, strengthening institutional frameworks for interregional cooperation must be a prerequisite to ensure that policies do not remain mere MoUs but are effectively implemented through collective planning, budgeting, and monitoring across local governments in a sustainable manner.

### **Governance Policies of Inter-Regional Cooperation in the Urban Economic Sector of Pangkalpinang City**

Legally, the implementation of inter-regional cooperation is regulated under Law No. 23 of 2014 on Regional Government, which authorizes local governments to collaborate with other regions, third parties, and even international institutions to enhance public service delivery, as well as governance efficiency and effectiveness (Hidayati & Ma'ruf, 2018). These provisions are reinforced by Government Regulation No. 28 of 2018 on Regional Cooperation, and the Ministry of Home Affairs Regulation No. 22 of 2020, which further stipulate the technical procedures for such cooperation. Accordingly, Pangkalpinang has also established local regulations and mayoral decrees to serve as operational guidelines, particularly in investment and economic development. In practice, the execution of economic and investment cooperation involves several designated institutions. The Regional Development Planning Agency (Bappeda) plays a vital role in formulating integrated cooperation plans within the broader regional development planning framework. Meanwhile, the Investment and One-Stop Integrated Services Office (DPMPTSP) serves as the primary facilitator for investment, accommodating both private sector and inter-governmental partnerships. The Cooperation Division under the Regional Secretariat assumes crucial administrative and legal functions, including the drafting of memoranda of understanding (MoUs), management of cooperation agreements, and oversight of their implementation. Furthermore, technical agencies such as the Trade Office, Tourism Office, Agriculture Office, and MSME Cooperative Office actively participate based on their respective sectoral mandates.

These collaborations go beyond formal administrative arrangements and are directed toward creating tangible added value for regional development (Agranoff, 2005; Colomb, 2007). In terms of investment, cooperation aims to develop strategic zones, such as industrial and trade areas, which necessitate engagement from private investors and other local governments. In the trade sector, partnerships are formed to expand distribution networks and market access for Pangkalpinang's local products across regional and national markets. In tourism, the cooperation focuses on jointly promoting tourism potential, integrating cross-regional tourism packages, and developing national-scale tourism events (Tinambunan, 2022). Equally important, the agriculture and fisheries sectors are prioritized through logistics distribution collaboration, agricultural technology transfer, and capacity enhancement for local farmers and fishermen. The cooperation process is structured and guided by principles of mutual benefit, transparency, and accountability. It begins with the exploration and identification of potential partners, followed by the drafting of preliminary MoUs and the execution of technical agreements tailored to each sector. All cooperation documents are ratified by the mayor and, if strategic or wide-reaching, receive approval from the City Council (DPRD).

Implementation is delegated to relevant departments, with periodic monitoring and evaluation conducted to ensure alignment with agreed-upon objectives. To guarantee that the cooperation yields measurable and accountable outcomes, the Pangkalpinang City Government applies a set of Key Performance Indicators (KPIs) to assess the effectiveness and success of inter-regional cooperation initiatives. These indicators are integral to the city's sustainable and integrated development strategy, particularly for improving public service efficiency, enhancing regional competitiveness, and driving local economic growth (Abu-Rayash & Dincer, 2021; Ness, 2008). The KPI's used include baseline, target, actual realization, progress, and performance metrics. Baseline indicates the initial condition prior to intervention, target refers to the intended outcome over a set period, realization reflects actual achievements, progress measures advancement from baseline toward target, and performance illustrates overall effectiveness relative to the goal. The following table presents the baseline, targets, and outcomes of economic cooperation performance in Pangkalpinang City for the year 2025:

Table 3. Performance of Inter-Regional Economic Cooperation in Pangkalpinang City, 2025

No	KPI Name	Baseline	Target	Realization	Progress (%)	Performance (%)
1	Number of active cooperation agreements	4	12	6	25%	50%
2	Cooperation program implementation rate (%)	50%	90%	70%	50%	78%
3	Partner satisfaction level (%)	75%	85%	84.85%	98.50%	99.82%
4	Investment from cooperation (IDR)	2.0 T	5.5 T	3.31 T	60%	60.18%
5	Inter-regional program innovations	2	7	3	20%	43%
6	Planning integration between regions (%)	10%	80%	15%	7%	19%
7	Number of inter-regional coordination forums	2	10	3	13%	30%
8	Number of MSMEs supported through cooperation	40	200	60	13%	30%

Source: Data Analysis, 2025

In general, the highest achievement was recorded in the partner satisfaction indicator, with an actual realization of 84.85% from the target of 85%, representing a progress of 98.50% and an

almost perfect performance of 99.82%. This indicates that cooperation partners view the quality of interaction and implementation very positively. The high level of achievement in this indicator shows that despite the suboptimal number of formal collaborations, the quality of partnerships has been exceptionally well maintained. The realization rate of cooperation programs also demonstrated relatively strong results, with an actual achievement of 70% against a target of 90%, yielding 50% progress and a performance score of 78%. This reflects that the majority of planned programs under the cooperation framework have been implemented, although there is still room for improvement toward the ideal target. Meanwhile, the number of active cooperation agreements shows a progress of 25% and a performance of 50%, indicating that although there has been an increase from the baseline, the total number of formal collaborations remains significantly below the set target. The indicator for SMEs fostered through cooperation also revealed a low performance, with 60 SMEs supported out of a target of 200, resulting in 13% progress and 30% performance. This suggests that inter-regional cooperation has yet to significantly impact the microeconomic sector.

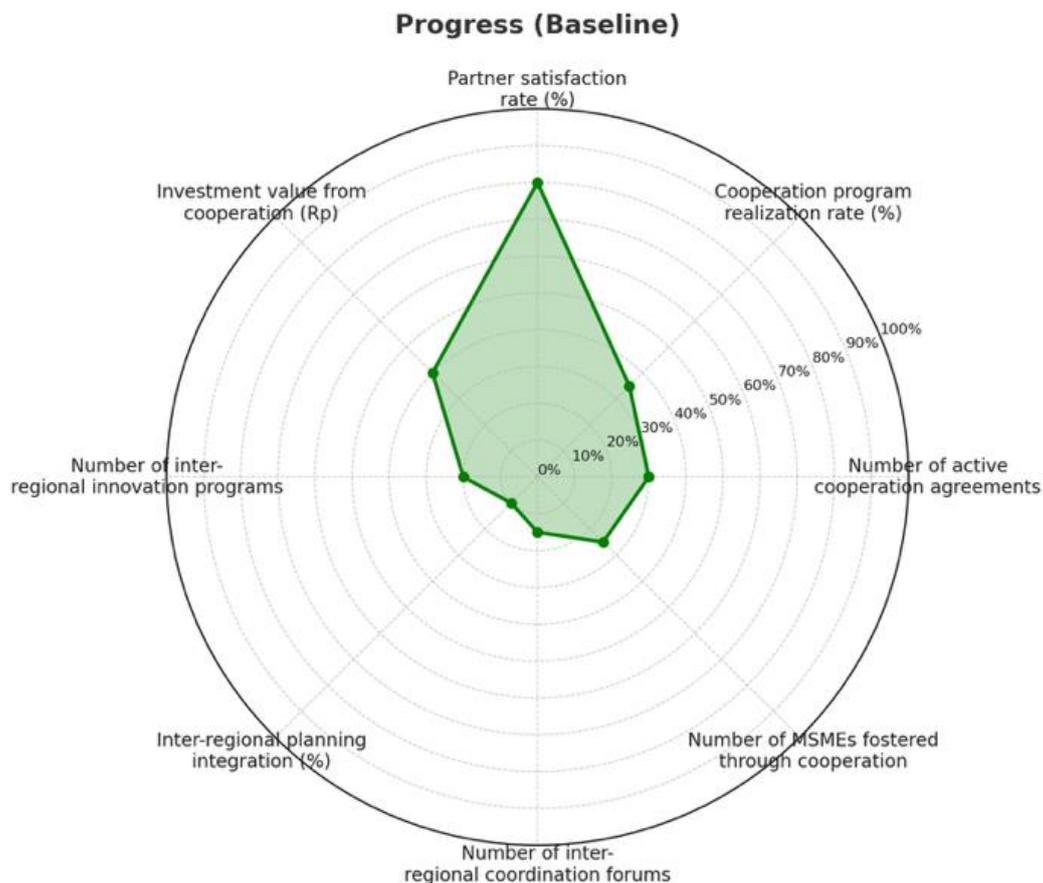


Figure 1. Progress (Baseline) of Regional Economic Cooperation in Pangkalpinang City, 2025

Regarding investment outcomes, realization reached IDR 3.31 trillion out of the IDR 5.5 trillion target, showing 60% progress and a performance score of 60.18%. This suggests that while the cooperation has begun to generate economic value, its impact remains below its full potential. However, other indicators such as cross-regional innovation programs, planning integration among regions, and inter-regional coordination forums show notably low achievements, each recording progress between 7% and 20%, with performance levels below 50%. This reveals that regional cooperation has not yet been fully coordinated in terms of planning or policy innovation.

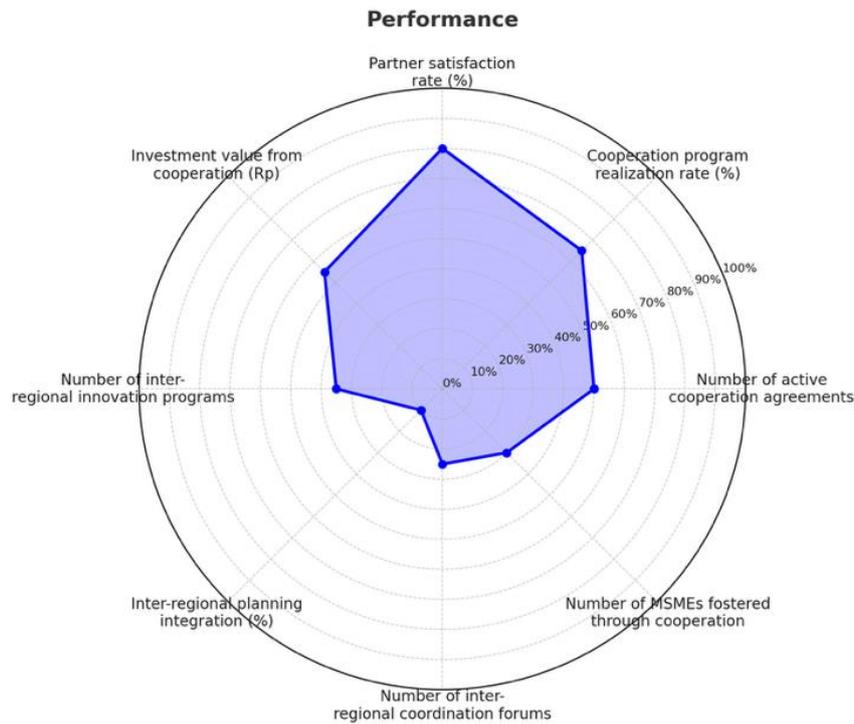


Figure 2. Performance of Regional Economic Cooperation Implementation in Pangkalpinang City, 2025

The limited number of SMEs benefiting from regional cooperation indicates that local economic empowerment has not yet become a primary focus within collaborative planning efforts. Among all indicators, Pangkalpinang City has made clear progress in certain areas, particularly regarding the quality of partnerships and initial program implementation. However, significant challenges remain in terms of institutional coordination, planning integration, and broadening the direct economic impact.

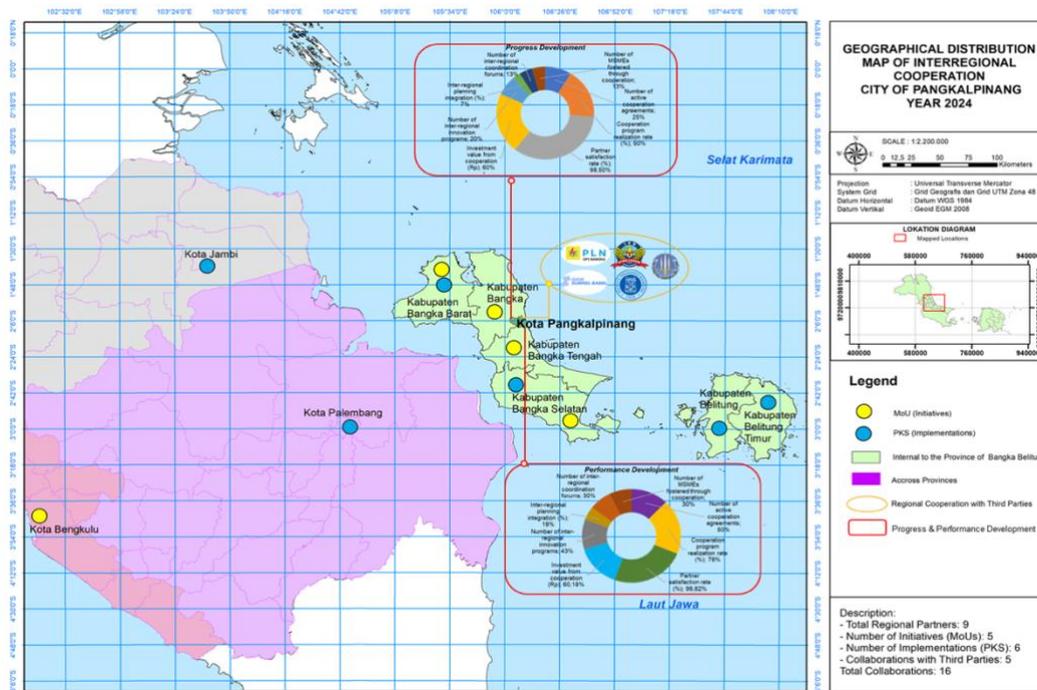


Figure 3. Geographical Distribution Map of Interregional Cooperation City of Pangkalpinang 2024

Theoretically, inter-regional cooperation should serve as a strategic instrument for realizing a sustainable, competitive, and inclusive urban economic system. However, in the context of Pangkalpinang, the existing cooperation has not yet fully led to a structural transformation in strengthening the city's economic base. The lack of alignment between the established partnerships and key economic development priorities, such as enhancing value chains of strategic sectors, improving the capacity of MSMEs across regions, or advancing integrated economic zones, indicates that the potential of cooperation has not been optimally leveraged to bolster local economic resilience and self-sufficiency. The absence of a shared framework that positions urban economic development as the core of collaborative strategy has resulted in partnerships that are largely administrative and symbolic in nature (Iaione, 2016). Moving forward, inter-regional cooperation must be reoriented from being merely political agreements into institutional mechanisms capable of linking resources, opportunities, and comparative advantages across regions to drive mutually reinforcing economic growth (Radji, 2025).

In response to the need for a more in-depth analytical dimension within the discussion, this study expands its analysis of the structural and contextual factors that significantly affect the performance of interregional cooperation programs. This approach seeks to avoid evaluative bias that overemphasizes numerical achievements, such as high partner satisfaction and program realization rates, without critically exploring the underlying causes of poor performance in key indicators, particularly planning integration (19%), cross-regional innovation programs (43%), and MSME support (30%). Within this context, suboptimal performance is interpreted as a reflection of institutional limitations at the local government level, including technical, structural, and coordination-related deficiencies. The absence of a dedicated and permanent cross-regional coordination unit has weakened program integration and increased the risk of policy fragmentation. This condition is further exacerbated by leadership turnover and authority fragmentation, which undermine continuity in planning and policy implementation. In essence, the success of regional collaboration depends not only on harmonious stakeholder relationships but also on the presence of stable and functional governance structures (Mudiparwanto & Gunawan, 2022). Furthermore, fiscal constraints are identified as a critical determinant in explaining the weak performance of innovation and MSME programs. Local government spending is still largely dominated by routine expenditures, leaving limited fiscal flexibility to invest in experimental and innovation-driven programs that require medium- to long-term support.

Conceptually, this phenomenon aligns with the resource-based view (RBV), which posits that the success of collaboration and innovation is highly dependent on the availability of specific, scarce, and non-replicable resources, including human capital, institutional strength, and financial capacity. Policy misalignment between regional planning documents also presents a significant barrier to harmonizing strategic priorities. Content analysis of mid-term development plans (RPJMD) and sectoral work plans (RENJA) among partner regions reveals a low level of coherence, which prevents collaborative programs from being fully integrated into each region's planning frameworks. As a result, program implementation becomes fragmented, inconsistent, and often lacks sufficient budgetary support. This discussion is further reinforced by the application of a gap risk analysis approach, enabling the identification of critical areas where performance gaps coincide with high institutional risk. Accordingly, this revised analysis not only addresses the descriptive tendency of the previous discussion but also provides a more systemic interpretation of the institutional complexities surrounding interregional cooperation. By integrating empirical data with a more reflective theoretical foundation, this expanded discussion strengthens the academic contribution of the article in the field of regional governance and provides a more solid basis for formulating adaptive, sustainable, and capacity-based collaborative policy strategies.

## CONCLUSION

Regional cooperation developed by the Government of Pangkalpinang City serves as a strategic response to pressing urban challenges such as disparities in public service delivery, environmental management, economic resilience, and competitiveness in key sectors. Collaborative efforts with neighboring local governments have contributed to more efficient infrastructure development, improved basic service delivery, measurement services, basic commodities distribution), and the promotion of tourism. Partnerships with central ministries and state-owned enterprises have also advanced the adoption of renewable energy in waste management and enhanced fisheries product quality through national certification standards. Evaluation of performance indicators reveals encouraging progress in partnership quality, as evidenced by a high partner satisfaction rate (84.85%) and near-optimal performance (99.82%). These findings underscore the city's strong relationship management and its ability to implement collaborative programs effectively. Nevertheless, several strategic indicators remain underdeveloped. For instance, innovation in interregional programs stands at 43%, planning integration at 19%, and MSME development only at 30%. Although cooperation has generated investment outcomes of Rp 3.31 trillion (60.18% of the target), institutional and sectoral integration remains limited.

## SUGGESTION

To strengthen the impact of regional cooperation, it is crucial to improve institutional coordination mechanisms. Establishing a dedicated unit for planning and evaluating interregional cooperation is recommended, alongside the development of a long-term cooperation roadmap. This roadmap should align with regional development priorities, especially in the microeconomic sector, to ensure broader and more inclusive benefits. Moving forward, greater emphasis on cross-sectoral synergy, structured joint planning, and outcome-based collaboration will be essential in positioning Pangkalpinang as a strategic node in sustainable regional development across the Bangka Belitung Islands.

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