ABSTRACTS

Implementation of the subsidy policy of simple housing (RSH) by the Government of Indonesia to supplement the low-income communities's purchasing power (MBR) still faces many problems. Some of the problems are: the realization of simple home development is not on target, the low interest of developers to build a simple house, and the lack of purchasing power of MBR. This research has several objectives: to formulate the right subsidy policy of RSH development, in order to encourage developer interest to build RSH and fulfill requirement of purchasing power of MBR. This research is conducted in several stages, ie evaluation of MBR purchasing power condition and capability, identification of RSH requirement for MBR and cost estimation needed by developer to build RSH. Data collection is done through structured interviews of related institutions, such as: Real Estate Indonesia (REI), developers, implementing Bank and MBR as recipients of subsidies. While the secondary data obtained from the Central Bureau of Statistics (BPS) and the Ministry of Public Works and Housing of the Republic of Indonesia (KemenPUPR). The methods used in this study are: Root Cause Analysis (RCA) is used to identify problems and variables, Pairwise Comparison (part of the Analytic Hierarchy Process (AHP) method) is used to identify the weight of the variables. Strength, Weakness, Opportunity and Threat (SWOT) analysis is used to determine internal-external factors, and Simulation Methods are used to analyze developer interest and purchasing power. Strategy of policy formulation design was analyzed by SWOT method, validated by Focus Group Discussion (FGD) method. Some research results are: the absorption of government subsidies for the construction of RSH that is not on target and not on target, the difference in RSH prices set by the government is not in accordance with the costs incurred by developers to build the RSH (low interest of developers), and the absence of banking access or the existence of institutions credit guarantor for MBR who have no fixed income. The results of this study can provide a fundamental understanding of the various causes of implementation problems subsidy RSH development that its realization is not on target and not on target. The results of research can also be used as the basis for the formulation of subsidy policy of RSH development proper.

Keywords: *Simple Housing, Low Income Communities, Focus Group Discussion, SWOT.*