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POSITION OF REGIONAL DEVELOPMENT BANKS AS REGIONAL OWNED ENTERPRISES

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ABSTRACT

Regional-owned enterprise is a business entity established by a local government with the purpose of increasing local own-source revenue, where one of the commonly found regional-owned enterprises is a regional-owned enterprise engaged in financial service institutions. The problem that arises for regional owned enterprises engaged in financial service institutions is the overlapping provisions of the laws and regulations that govern them, so this causes legal uncertainty over the position of the Bank. So, to find out the legal certainty of the position of regional development banks, normative legal research methods are used, namely research that uses a statutory approach where the research is carried out on the provisions of the legal aspects of regional-owned enterprises, and aspects of banking law, including the legal aspects regarding limited liability companies.

KEYWORDS *Regional-owned enterprise; bank; local goverment*

INTRODUCTION

Indonesia is a constitutional state consisting of many regions spread throughout the territory of the Republic of Indonesia (Shaturaev, 2021). Where these areas have natural resources and human resources that vary in each region. Through the 1945 Constitution, the Republic of Indonesia gave authority to these regions according to the principle of autonomy to carry out the widest possible autonomy including establishing regional regulations and other regulations to implement autonomy (Rosadi, 2015). Where one of these authorities is to form a regional company to participate in carrying out regional development and national economic development. Initially, this regional company was introduced through Law Number 5 of 1962 concerning Regional Companies. Where in this Law what is meant by Regional Companies are all companies established under this Law whose capital is wholly or partly the separated regional assets (Ainiyyah, 2022). However, in its development this Regional Company was no longer relevant to the

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rapid development so that it was adjusted several times until the time when Regional Owned Enterprises were recognized (Putri, 2022).

Regional Owned Enterprises themselves were first introduced in Indonesia in 1999 as contained in the Minister of Home Affairs Regulation Number 3 of 1999 concerning the Legal Form of Regional Owned Enterprises (Joedo, 2006). Regional Owned may be a Regional Company (PD) or Limited Liability Company (PT). subsequently this Regional Owned Enterprise was renewed through Law Number 23 of 2014 concerning Regional Government wherein in this Law a Regional Owned Enterprise is a business entity whose capital is wholly or largely owned by the Region. In Law Number 23 of 2014 concerning Regional Government, a company can be said to be a Regional Owned Enterprise by fulfilling the following requirements:

1) Establishment of Regional Owned Enterprises is stipulated by Regional Regulation;
2) Establishment of Regional Owned Enterprises is based on:
   a) Regional Needs; And
   b) The feasibility of the area of business of the Regional Owned Enterprise to be formed.

Regionally Owned Enterprises are divided into 2 (two) forms of Business Entities, including:

1) Regional Public Company

   The Regional Public Company referred to in Law Number 23 of 2014 concerning Regional Government is a Regional-Owned Enterprise whose entire capital is owned by one Region and is not divided into shares. Regional Public Companies can form subsidiaries and/or own shares in other companies. Regional public companies owned by several regions must change the legal form to become a regional company company. In Government Regulation Number 54 of 2017 concerning Regional-Owned Enterprises it is explained that the status of a regional public company as a legal entity is obtained when the Regional Regulation governing the establishment of regional public companies comes into force.

2) Regional Public Company

   The Regional Liability Company referred to in Law Number 23 of 2014 concerning Regional Government is a Regional Owned Enterprise in the form of a limited liability company whose capital is divided into shares which are wholly or at least 51% (fifty one percent) of whose shares are owned by one Region. Regional Liability Companies are still formed through Regional Regulations and the formation of legal entities is carried out based on the provisions of laws and regulations regarding limited liability companies. In Government Regulation Number 54 of 2017 concerning Regional Owned Enterprises it is explained that the position of a regional company as a legal entity is obtained in accordance with the provisions of the law governing limited liability companies.

In its development for Regional Owned Enterprises in the form of regional public companies there were no problems arising because it is clear that Regional Government Owned Enterprises in the form of regional public companies are only

owned by one region which is the sole holder (Widodo, 2021). However, for Regional Owned Enterprises in the form of a regional limited company company, a problem arises which can be said to be a Regional Owned Enterprise with the Regional Company Form where as required in Government Regulation Number 54 of 2017 concerning Regional Owned Enterprises, regional limited liability companies are stipulated by Regional Regulations and one area must have shares that are wholly or at least 51% (fifty one percent). The problem that arises here is what if the regions that have formed Regional Owned Enterprises with Regional Regulations are in accordance with the provisions for the formation of Regional Owned Enterprises but do not fulfill the capital as mandated by Law Number 23 of 2014 concerning Regional Government which is also reaffirmed in Government Regulation Number 54 of 2017 concerning Regional-Owned Enterprises and vice versa if the Regional Government already owns all or at least 51% (fifty one percent) but the Business Entity has not been established through a Regional Regulation. This regulation creates an absence of legal certainty for the legal form of a Regional Owned Enterprise in the form of a regional government company where regional ownership of shares has not been fulfilled. Meanwhile, if seen from the existing share ownership in the regional company where the majority shares are still owned by the Region.

If we look more specifically at Regional Owned Enterprises with the form of regional limited liability companies in the field of bank financial institutions (hereinafter referred to as Regional Development Banks), then the overlap of regulations governing Regional Development Banks becomes even more numerous between Regulations concerning Business Entities Regional Owned, Regulations regarding limited liability companies, and Regulations concerning Banking. When viewed from the history of the development of Regional Development Banks in Indonesia, Regional Development Banks were first recognized in 1962 through Law Number 13 of 1962 concerning Basic Provisions for Regional Development Banks where in Law Number 13 of 1962 what is meant by Development Banks A region is a legal entity based on this Law and its position as a legal entity is obtained by the enactment of its founding regulations (Maulana, 2013). Regional Development Banks were established with the specific purpose of providing financing for the implementation of regional development efforts within the framework of the Planned Universal National Development (Puspita & Shofawati, 2018). In this regulation Regional Development Banks are limited to only running their business for the needs of the region concerned. However, in its development now Regional Development Banks are no longer limited to financing for the regions. Regulations regarding Banking have also developed to follow the changing needs of the times. Provisions regarding banking also underwent changes with Law Number 7 of 1992 concerning Banking as amended by Law Number 10 of 1998 concerning Banking (Undang-Undang, 1998). In this Law what is meant by a Bank is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit and/or other forms in order to improve the standard of living of the people at large. This Law states that banks established based on Law Number 13 of 1962 concerning Basic Provisions for Regional Development Banks must comply with the provisions of this law. If you

look at the explanation above, it can be concluded that the Regional Development Bank which was established at the time of Law Number 13 of 1962 has changed its form to become a Bank in accordance with the latest applicable Laws and Regulations.

If one looks at the matters described above, it is clear that there is a lack of clarity in the current legal form of Regional Development Banks and which regulations have the authority to regulate Regional Development Banks. Because in practice many problems arise due to the lack of legal certainty regarding the Legal Entity of the Regional Development Bank. Legal disharmony between regulations governing Regional Owned Enterprises can result in legal dysfunction because the law cannot function to provide behavioral guidelines for the community, social control, dispute resolution and as a means of orderly and regular social change so that further discussion is necessary considering that Banking Institutions are an intermediary institution that brings together owners of funds and people who need funds so that management clarity in a Bank that is in the form of a Regional Owned Enterprise also needs to pay attention to customers who have entrusted their funds to the Bank.

RESEARCH METHOD

The method used in this research is juridical-normative research which is a legal research of literature which is conducted by examining library materials and/or secondary data. In this study the researcher conducted research using Law Number 7 of 1992 concerning Banking as amended by Law Number 10 of 1998 concerning Banking, Law Number 23 of 2014 concerning Regional Government and its derivative regulations Government Regulation Number 54 of 2017 regarding Regional Owned Enterprises. Secondary data used in this research is secondary data in the form of books, regulations, and scientific papers using qualitative analysis methods.

RESULT AND DISCUSSION

According to Kelsen, law is a system of norms. Norms are statements that emphasize the "should" or das sollen aspects, by including some rules about what to do (Arsy et al., 2021). Norms are deliberative human products and actions. Laws that contain rules of a general nature serve as guidelines for individuals to behave in society, both in relationships with fellow individuals and in relations with society. These rules become limits for society in burdening or acting against individuals. The existence of these rules and the implementation of these rules give rise to legal certainty.

Positivism is a school of legal philosophy which assumes that legal theory is only concerned with positive law. Legal science does not discuss whether positive law is good or bad, nor does it discuss the effectiveness of law in society included in this stream the teachings of Analytical Jurisprudence are Law is a command (law is an order from the authorities) (Arsy et al., 2021). John Austin defines law as follows: "Law is a command set, either directly or circuitously, by a sovereign

individual or body, to a member of some independent political society in which his authority is supreme." So, law is a set of orders, either directly or indirectly, from those in power to their citizens who constitute an independent political society, where the authority (the party in power) is the highest authority. According to Austin, law is regulations containing orders, which are intended for intelligent beings and heretics by intelligent beings who have power over them. So, the basis of the law is "the power of the authorities". The key word in law according to Austin is an order which is interpreted as a general order from a political entity that has sovereignty, namely the highest political authority (the supreme political authority), which functions to regulate the behavior of members of the public (Muannif, 2017). Those who have this sovereignty may be individuals or groups of individuals. Terms:

1) Individuals or groups of individuals are people or groups of people who are obeyed by all members of society; And
2) This sovereign individual or group of individuals obeys no one above them.

The source of law, according to Austin, is the supreme ruler who is de facto obeyed by all members of society while he himself is not subject to anyone. Austin's law must be understood in the sense of an order because law should not give room to choose (whether to obey or not to obey). Law is non-optional. Therefore, Austin emphasized that law is not a pile of rules or moral advice. When the law can no longer be enforced, that is, violations are subject to punishment or legal sanctions.

The legal issues that occur are a form of a development in a society that always wants to change, and that change is what is eternal in the world. In order to ensure that there is no conflict in this development, rules or norms or law are needed, both written and unwritten. Roscoe Pound said that Law as a social engineering tool is a law that must be seen or viewed as a social institution that functions to meet social needs, and the task of law is to develop a framework in which social needs can be fulfilled optimally (Manan, 2014). Law as a guide to social change in society, the law can encourage changes which are certain, and the changes that occur must be formed in the form of written law in the form of statutory regulations. R. Otje Salman said that in order for the implementation of the reform to run well, the legislation that was formed should be in accordance with what is at the heart of Sociological Jurisprudence's thinking, that is, good law is law that lives in society, because if it doesn't, then consequently not effectively will be challenged.

The presence of the state to safeguard social interests makes the state and regional governments make laws and regulations as instruments to maintain order in society. Roscou Pound said that in the context of the need to avoid pragmatics and conflicts of conflicting interests or values, it is necessary to take progressive steps, namely making law possible as law as a toll social engineering. Examining law is not only a collection of abstract norms or a legal order, but also a process for striking a balance between conflicting interests. This process eventually gave birth to new balances, which made society engineered towards more justice with new balances.

Referring to the view above, making law a suggestion to regulate public relations to avoid conflicts of interest or values as a rule that has moral values. This moral value determines the effectiveness of law as a tool to regulate order in society.

In order to find and formulate a legal entity and which rules are appropriate and authorized to regulate the form of a regional development bank legal entity, we must first look at the hierarchy of laws and regulations based on Law Number 12 of 2011 concerning the Establishment of Legislation where the hierarchy laws and regulations in Indonesia are as follows:

1) The 1945 Constitution of the Republic of Indonesia;
2) Decree of the People's Consultative Assembly;
3) Laws/Government Regulations in Lieu of Laws;
4) Government regulations;
5) Presidential decree;
6) Provincial Regulation; and
7) District/ City Regional Regulations.

After knowing the Hierarchy of Laws and Regulations in Indonesia, it is also necessary to know about several principles governing the legal position between laws and regulations, including:

1) The principle of Lex Superior Derogat Legi inferiori
   This principle means that laws (norms/legal rules) that are higher nullify the validity of laws (norms/legal rules) that are lower. This principle determines that based on the hierarchy of laws and regulations in force in Indonesia, higher laws (norms/legal rules) override the regulations below them in the event of overlap between these regulations.
2) Principle of Lex Posterior Derogat Legi Priori
   This principle means that the new law (norm/legal rule) nullifies the validity of the old law (norm/rule of law). This principle applies to regulations that have the same degree or level in the hierarchy of laws and regulations. This principle also applies to regulations at a higher level, in accordance with the Lex Superior Derogat Legi Inferiori Principle.
3) The principle of Lex Specialis Derogat Legi Generali
   This principle means that specific laws (norms/legal rules) nullify the general validity of laws (norms/rules of law). This principle regulates how specific regulations are more relevant and compatible with specific matters that govern them so that specific regulations also apply to specific regulations.

Law Number 12 of 2011 concerning Formation of Legislation also provides an explanation that forming Legislation must be done based on the principle of Forming good Legislation which includes:

1) Clarity of purpose is that each Formation of Legislation must have clear objectives to be achieved;
2) The proper institution or forming official is that each type of Legislation must be made by a State agency or authorized Legislature Forming official. These laws and regulations can be canceled or canceled for the sake of law if they are made by state institutions or officials who are not authorized;

3) The suitability between the type, hierarchy, and content material is that in the Formation of Legislation, it is necessary to really pay attention to the proper content material in accordance with the type and hierarchy of Legislation.
4) What can be implemented is that each Formation of Legislation must take into account the effectiveness of said Legislation in society, both philosophically, sociologically, and juridically;
5) Efficiency and effectiveness is that each Legislation is made because it is really needed and useful in regulating the life of society, nation and state;
6) The clarity of the formulation is that each Legislation must meet the technical requirements for the preparation of Legislation, systematics, choice of words or terms, as well as clear and easy-to-understand legal language so as not to give rise to various kinds of interpretation in its implementation; And
7) Transparency means that in the Formation of Legislation starting from planning, drafting, discussing, validating or stipulating, and enactment, it is transparent and open. Thus, all layers of society have the widest possible opportunity to provide input in the Formation of Legislation.

After forming Legislation based on the Principles of Forming good Legislation, Law Number 12 of 2011 concerning the Formation of Legislation also states that the content material of Legislation must reflect the principles of:

1) The Principle of Protection is that every Content Material of Legislation must function to provide protection to create public peace;
2) The Humanitarian Principle is that each Content Material of Laws and Regulations must reflect the protection and respect for human rights and the dignity of every citizen and resident of Indonesia in a proportional manner;
3) The principle of nationality is that each content material of laws and regulations must reflect the diverse nature and character of the Indonesian nation while maintaining the principles of the Unitary State of the Republic of Indonesia;
4) The principle of kinship is that each content material of laws and regulations must reflect deliberations to reach consensus in every decision-making;
5) The Archipelagic Principle is that each content material of laws and regulations always considers the interests of all Indonesian territories and the content material of laws and regulations made in the regions is part of the national legal system based on Pancasila and the 1945 Constitution of the Republic of Indonesia;
6) The principle of Unity in Diversity is that each content material of laws and regulations must pay attention to the diversity of the population, religion, ethnicity and class, special conditions of the region and culture in the life of society, nation and state;
7) The principle of justice is that each content material of laws and regulations must reflect fairness proportionately for every citizen;
8) The principle of Equal Position in Law and Government is that each Content Material of Prevailing Laws may not contain things that are discriminatory based on background, among others, religion, ethnicity, race, class, gender, or social status;

9) The principle of order and legal certainty is that each content material of laws and regulations must be able to create order in society through guaranteed legal certainty;
10) The principle of balance, harmony and harmony is that each content material of laws and regulations must reflect balance, harmony and harmony between individual interests, society and the interests of the nation and state.

Legal entity consists of 2 (two) words which means, another form of person who in the eyes of the law is equal in position to a person who has rights and obligations. According to Chaidir Ali, in Indonesia's current positive law regarding the status of a private entity, there is no distinction based on anything. The term private body can be used both for people and for other forms that are not people, but also have rights and obligations to be called legal entities.

The legal entity itself is an institution consisting of organizational structures, each of which has different responsibilities to represent the institution as a legal entity that has rights and obligations in the eyes of the law as a legal entity. JJ Dormeir said that the term legal entity can be interpreted as follows: a. association of people who in legal association act as one person; b foundation, namely an asset or wealth that is used for a specific purpose: the foundation is needed as an individual. Moving on from the definition of legal entity above, in theory regarding legal entities, in theory it consists of 4 (four), namely:

1) Fiction Theory
   This theory was pioneered by the German scholar, Friedrich Carl von Savigny (1779-1861), a major figure in the flow/school of history at the beginning of the 19th century. According to Savigny that only humans have will, while legal entities are an abstraction, not a thing. concrete. So, because it is only an abstraction, it is impossible to become a subject of a legal relationship, because the law gives rights to those concerned with a power and creates a will to power (wilsmavht).
2) Organ Theory
   A legal entity is something that actually exists in a legal association that realizes its will by means of the organs (organs) in it (its management). This theory states that legal regulations which, according to fictional theory, do not apply to legal entities, also apply to these legal entities. This is based on the fact that the state of mind of the organs of a legal entity, such as the chairman, secretary or other members of the board, is also considered the state of mind of the legal entity itself.
3) The Theory of Purposeful Wealth
   That a legal entity is not someone's wealth, but that wealth is tied to its purpose. Every right is not determined by a subject but by a purpose. This theory can only explain the juridical basis and foundation.
4) Collective Property Theory
   That the legal rights and obligations are essentially the rights and obligations of the members together. Therefore, a legal entity is only a juridical constitution, so in essence it is abstract.

If you want to find the form of Legal Entity for Regional Development Banks, then we have to go through the history of regulations regarding Regional

Development Banks in Indonesia. First of all, Regional Development Banks are based on Law Number 13 of 1962 concerning Basic Provisions for Regional Development Banks where this Law has been removed and replaced with Law Number 7 of 1992 as amended by Law Number 10 of 1992. 1998 Concerning Banking. Then Law Number 40 of 2007 concerning Limited Liability Companies which regulates limited liability companies in general. Law Number 23 of 2014 concerning Regional Government is the latest basis for Regional Owned Enterprises with a Government Regulation which is a derivative of Government Regulation Number 53 of 2017 concerning Regional Owned Enterprises. When related to the existing principles, Law Number 40 of 2007 concerning Limited Companies is a general regulation regarding Limited Liability Companies. Referring to the Lex Specialis Derogat Legi Generali Principle, Law Number 7 of 1992 as amended by Law Number 10 of 1998 concerning Banking and Law Number 23 of 2014 concerning Regional Government are special regulations where each regulates the Agency Enterprises in Banking and Regional Owned Enterprises. As fellow Special Regulations, to determine the Legal Form of Regional Development Banks we can use the Lex Posterior Derogat Legi Priori Principle, so for Regional Development Bank Legal Entities use the Legal Basis of Law Number 23 of 2014 concerning Regional Government and it can be concluded that for Regional Owned Enterprises those formed through Regional Regulations as the formation of Regional Owned Enterprises mandated by Law Number 23 of 2014 are Regional Owned Enterprises including Regional Development Banks formed through Regional Regulations.

However, in the implementation of Law Number 23 of 2014 concerning Regional Government which was later re-arranged specifically in the provisions of laws and regulations derived from Law Number 23 of 2014 concerning Regional Government concerning Regional Owned Enterprises through Government Regulation Number 54 of 2017 concerning Regional Owned Enterprises specifically explain the regulation of Regional Owned Enterprises. As stipulated in Law Number 23 of 2014 concerning Regional Government Regional Owned Enterprises are divided into 2 forms, namely regional public companies and regional public companies, where as stated above, for Regional Owned Enterprises with the form of regional public companies there is no problem because the reference for regional public companies is purely from Law Number 23 of 2014 concerning Regional Government and Regional Government Regulation Number 54 of 2017 concerning Regional Owned Enterprises. However, for Regional Owned Enterprises with the form of a regional company company where in its implementation several actions still refer to Law Number 40 of 2007 concerning Limited Liability Companies, such as Regulations regarding shares, separation, merger, consolidation and takeover. Including regarding the position of the regional company company. Therefore, for a Bank in the form of a Regional Owned Enterprise, there are several statutory provisions attached to it, including:

1) Law Number 40 of 2007 concerning Limited Liability Companies, where this law is used as a reference in general arrangements regarding regional limited liability companies;

2) Law Number 23 of 2014 concerning Regional Government, where this law is the reference used in the regulation regarding Banks in the form of Regional Owned Enterprises;
3) Law Number 7 of 1992 as amended by Law Number 10 of 1998 concerning Banking, where this law is used as a reference in carrying out Bank activities as Banking institutions.

A legal product or regulation is essentially made to provide clear boundaries regarding an action that can or cannot be done. Jan Michiel Otto defines legal certainty as the possibility that in a given situation:

1) There are rules that are clear (clear), consistent and easy to obtain, issued by and recognized because of (the power of) the State.
2) Authorities (government) agencies apply these legal rules consistently and also submit and obey them.
3) Citizens in principle adjust their behavior to these rules.
4) Independent, thoughtless (judicial) judges apply these legal rules consistently when they resolve legal disputes.
5) The court decision is concretely implemented.

According to Sudikno Mertukusumo, legal certainty is a guarantee that the law must be implemented in a good way. Legal certainty requires efforts to regulate law in legislation made by authorized and authoritative parties, so that these rules have a juridical aspect that can guarantee certainty that the law functions as a rule that must be obeyed.

If you see from the explanation above, the Regional Development Bank Legal Entity is a Regional Owned Enterprise formed through a Regional Regulation and must meet other requirements stipulated in the laws and regulations regarding Regional Government. The form of a Regional Owned Enterprise is divided into 2 (two), namely regional public companies and regional company companies, where if the Regional Development Bank is included in the Regional Owned Enterprise with the form of a regional company company whose shares are owned by the region at least 51% for the regulation to follow Law Number 40 of 2007 concerning Companies Limited as stated in Law Number 23 of 2014 concerning Regional Government.

CONCLUSION

Based on the things that have been mentioned above, the conclusion that the writer can convey is that a Regional Owned Enterprise is a legal subject that realizes its will by means of the tools (organs) that exist in it (its management) as expressed in organ theory. For this reason, it must be clear here as a legal entity represented by company organs authorized to represent it, in the case of a Regional Owned Enterprise where the final controller of a Regional Owned Enterprise is the head of a region, the Regional Government must also fulfill its obligations as which is mandated by the laws and regulations that regulate it. In order to be said to be a Regional Owned Enterprise, the company must meet the requirements in accordance with the laws and regulations governing it, among others Formed through a Regional Regulation. shares, For a Regional Owned Company in the form of a regional public company, the region must own shares of at least 51% (fifty one

percent) of said regional company company, a Regional Owned Enterprise in the form of a regional public company which divides its ownership among several regions must change The form of the company is in the form of a regional company company. For Business Entities engaged in Banking, there are several provisions attached to these Business Entities, including Law Number 40 of 2007 concerning Limited Liability Companies, where this law is the reference used in general arrangements regarding regional limited liability companies, Law -Law Number 23 of 2014 concerning Regional Government, where this law is the reference used in the regulation regarding Banks in the form of Regional Owned Enterprises, Law Number 7 of 1992 as amended by Law Number 10 of 1998 concerning Banking , where this law becomes the reference used in carrying out Bank activities as a Banking institution. So that Banks that are in the form of Regional Owned Enterprises are required to comply with the provisions that apply to the provisions of the laws and regulations. The obligations of the Bank as an intermediary institution supervised by the competent authorities, including the Financial Services Authority, Bank Indonesia, and other institutions, must also pay attention to the provisions imposed by the authorities, and it must also be ensured that these obligations do not conflict with one another. For Regional Owned Enterprises in the form of regional company companies following the provisions of 2 (two) laws and regulations, Law Number 40 of 2007 concerning Limited Liability Companies, and Law Number 23 of 2014 concerning Regional Government and its derivative regulations, general arrangements regarding regional company companies follow the provisions in accordance with Law Number 40 of 2007 concerning Limited Liability Companies and if there is a conflict between Law Number 40 of 2007 concerning Limited Liability Companies and Law Number 23 of 2014 concerning Regional Government, then by referring to the Lex *Principle Specialist Derogat Legi Generali* and Lex Posterior Principle *Derogat Legi Priori* The provisions of the applicable laws and regulations are Law Number 23 of 2014 concerning Regional Government. For problems with Regional Governments not fulfilling their obligations based on Law Number 23 of 2014 concerning Regional Government, the authorized Ministry must have a clear legal mechanism to resolve this problem. Because if a clear legal mechanism is not immediately provided for handling this problem it will hinder the growth of Regional Owned Enterprises that have not received a capital deposit in accordance with Law Number 23 of 2014 where if the company seeks other ways to obtain capital from other parties it will disrupt ownership Regional Government shares which have an impact on the absence of legal certainty regarding the legal status of Regional Owned Enterprises.

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