

## ABSTRACT

*The current Covid-19 pandemic has had a negative impact on various sectors. As a result, the government imposed a Large-Scale Social Restriction policy with the aim of breaking the chain of transmission of Covid-19. However, this policy is considered to be able to hamper the economic path, causing an economic crisis. One of the economic sectors affected by the Covid-19 pandemic are Micro, Small and Medium Enterprises in Yogyakarta. This study aims to determine and analyze the impact of the Covid-19 pandemic on MSMEs in Yogyakarta. The method used in this study is a qualitative descriptive method with data collection techniques through in-depth interviews. There were 16 informants in this study. The informants included 1 person from the Yogyakarta Special Region of Cooperatives and SMEs and 15 SMEs in Yogyakarta. Based on the results of the study, it can be concluded that the Covid-19 pandemic has had several negative impacts on MSME owners, especially in terms of income. For the local government, they have made efforts to empower MSMEs in Yogyakarta through the innovation of the SIBAKUL program. This innovation has 3 stages, namely, Conducting Guidance for Yogyakarta SMES, Promotion and Marketing Strategy, and SIBAKUL Free Shipping. However, these policy innovations are still categorized as ineffective because the majority of MSME actors are not aware of the program's innovations.*

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*Keywords: MSMEs, Covid-19, Impact, Government Efforts, SIBAKUL*