

ABSTRACT

This study explores the integration of Green Supply Chain Management (GSCM) practices in micro, small, and medium enterprises (MSMEs) within the food and beverage sector, focusing on three Bakpia producers in Yogyakarta. The low adoption of GSCM among MSMEs is the primary issue addressed, given their resource constraints. The research aims to understand how MSMEs can integrate GSCM into their business strategies, identify factors influencing GSCM adoption, and analyze the challenges encountered during implementation. It seeks to provide insights into how MSMEs can balance economic viability with environmental responsibility.

A qualitative case study approach was employed. Data were collected through interviews with owners/managers of three Bakpia-producing MSMEs in Yogyakarta, supplemented by secondary sources such as relevant literature. The research focused on GSCM practices including green procurement, production, packaging, and logistics, as well as the role of supplier relationships and consumer awareness in supporting or hindering GSCM adoption. This approach allowed for an in-depth analysis of the realities of GSCM implementation at the MSME level.

The findings indicate that all three MSMEs have taken initial steps toward sustainability, such as using local raw materials, reducing waste, and improving energy efficiency. However, full integration of GSCM is limited due to financial, technological, and training constraints. Managerial commitment and employee participation were key supporting factors, while low consumer awareness and resource limitations posed significant barriers. The implemented GSCM practices have enhanced environmental performance (e.g., reduced waste and emissions), economic performance (e.g., cost savings and reputation), and operational efficiency, though the benefits are not yet fully optimized. The study recommends a gradual implementation approach supported by external assistance in technology, training, and policy incentives, alongside efforts to raise consumer awareness of sustainable products.

Keywords: *Green Supply Chain Management, MSMEs, Bakpia*