# PT. A. I. "Kampung Berseri A." Program in Support of the 4<sup>th</sup> Sustainable Development Goals in T. Village in 2020

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**Abstract.** In achieving business success, business actors such as multinational corporations need to pay attention to the company's concern and respect for the environment around business activities through a program that is called Corporate Social Responsibility (CSR). CSR programs come in many forms, one of them being sustainable development. This study aims to analyze the CSR program of "Kampung Berseri A.", which PT. A. I. runs in supporting the 4th Sustainable Development Goals (SDGs), Quality Education. This research takes a case study in T. Village, Yogyakarta. This research was conducted with a qualitative approach. The data used in this study are primary data from interviews with village communities and secondary data from sustainability reports belonging to PT. A. I. Through this research, it is found that PT. A. I. has managed to contribute toward the accomplishment of the fourth goal of the SDGs in T. Village in 2020 through the impact its "Kampung Berseri A." program brings toward the development of education in the village that can be seen in several forms such as new and improved infrastructures and scholarships.

## 1 Introduction

Corporate Social Responsibility (CSR) is one of the many obligations that must be planned and implemented by a legal and running company. Article 74 of the Law of the Republic of Indonesia Number 40 of 2007 concerning CSR clearly states that a company running a business in the field related to natural resources is obliged to plan and carry out social and environmental responsibilities [1]. The CSR program is a company's commitment to sustainable development and focuses on three aspects: economic, social, and environmental [2]

Many CSR programs are also in line with the commitments of the Sustainable Development Goals (SDGs), which aim to realize sustainable development and improve the quality of human life [3]. Many CSR programs focus on various things in realizing their goals, one of which is developing human resources through the development of education. The 4th SDG talks about equal access to education for all people worldwide. In Indonesia, this effort has been stated in government regulation number 38 of 2007 concerning the division of government autonomy between governments which states that public education will become a mandatory business for local governments Indonesia. However, throughout despite government's efforts to promote equal distribution of education, up to now, proper and equal education quality has not been achieved. This opportunity is what companies can use to assist the government's efforts to realize equal and proper distribution of education through CSR programs to build the surrounding community, which is in line with the SDG's goals [4].

T. Village is a village in the Yogyakarta area that received assistance from PT. A. I. through the company's CSR program called "Kampung Berseri A.". This decision is motivated by the high number of unemployment in the village. According to a survey belonging to the BPS in 2017, the unemployment rate was recorded at 7,085 people, and there was an increase in 2018 to the point of 9,249 people [5]. The high number of unemployed people is caused by several things, one of which is the lack of adequate educational facilities to prepare citizens for the world of work. This poor condition causes T. Village to become one of the assistance recipients from PT. A. I.'s CSR program. This CSR program includes assistance for four pillars, one of which is the education pillar. Education has a crucial role in society because it can form a strong human being and a foundation to create reliable human resources for the future, and education is an act of sustainable development [6]. Education development cannot succeed without the cooperation between community, government, and companies.

This study discusses the contribution of PT. A. I. through its Corporate Social Responsibility (CSR) program to the 4th Sustainable Development Goals (SDGs) agenda in T. Village in 2020 by analyzing using how is the contribution of PT. A. I. through its CSR program toward the 4th agenda of the SDGs in T. Village in 2020 as its problem statement. It is analyzed using the theory of CSR as sustainable development.

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The framework for this research can be seen in the following Figure 1.

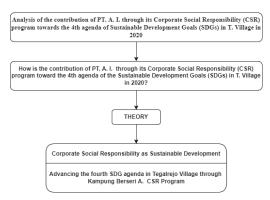


Fig. 1. Research Framework

This study's objective is to determine the contribution of PT. A. I. through a review of its Corporate Social Responsibility (CSR) that is called "Kampung Berseri A." toward advancing the Sustainable Development Goals (SDGs), especially the fourth one regarding quality education in T. Village in 2020.

This study focuses only on exploring the "Kampung Berseri A." program because this paper tries to focus on the aspect of how PT. A. I., as a multinational corporation, contributes to fulfilling the targets set by the SDG through utilizing its corporate social responsibility program capability. One of its corporate social responsibility programs that play a significant role in achieving SDG targets by having many people in numerous different locations impacted as a result is the "Kampung Berseri A." program.

### 2 Literature Review

Based on the explanation of the problem formulation above, the hypothesis in this study is that PT. A. I. contributes to the 4th SDGs agenda regarding education in T. Village through the "Kampung Berseri A." CSR program, which provides educational opportunities for the community in the village by providing scholarships and helping build educational infrastructure which causes an increase in the level of education in the T. Village.

In studying international relations, of course, state actors are not the only actors studied. Non-state actors then also become subjects who have a significant influence in the study of international relations. The concept of non-state actors includes many parties. According to various works of literature, there are various types such as NGOs, INGOs, activists, media, academics, diaspora, religious organizations, experts, foundations, and domestic social movements that have branches from the local to a global level, to one of the actors who is often mentioned in international journals that are studied in this research, namely Multinational Corporations [7].

The concept of CSR is a concept that is so broad that no concrete definition has been found regarding the meaning of CSR itself. In the study of international relations, CSR cannot be separated into various matters relating to aspects of international trade activities [8]. To understand the concept of CSR, many different definitions or explanations are given by experts. However, various definitions or understandings of these concepts are, in fact, subjective and highly dependent on the type of program used by the company. According to The World Business Council for Sustainable Development, CSR is defined as a commitment from the business world to continuously act ethically, operate legally, and contribute to improving the economy, which at the same time can extensively improve the quality of life for employees and their families, as well as the community [9].

Based on the explanation above, CSR can be said to be a business run by a company as a form of responsibility and form of ethics in carrying out long-term business activities that are good and right for the surrounding environment. Elkington further clarifies this definition of CSR through his writings on the triple bottom line concept, which discusses how CSR should positively impact economic prosperity, social justice, and environmental equity, which is better known as the 3P principle (Profit, People, Planet). This principle explains that in carrying out their business activities, companies should not only think about their profits but also need to give sufficient attention to human resources (people) and the surrounding environment (planet) that are affected by the company's activities.

The CSR program in practice has various categories. There are three categories of the most common CSR programs; namely, the first is a CSR program based on charitable activities where this program is purely charitable. Charitable programs are realized by providing assistance desired by the community. Charitable programs are generally in the form of social grants, implemented for short-term purposes and temporary problem-solving. This program is managed by a small committee and focuses on poor people. The second category that is usually encountered is CSR programs based on generosity / philanthropy, where this program is usually in the form of grants or donations for development, both in terms of human resource development and infrastructure development. The target of this program is usually not only the poor but the wider community. This philanthropy-based program has a reasonably good plan, as evidenced by various independent foundations and institutions that become liaisons/mediators for the company in implementing this philanthropy-based CSR program, for example, agencies or institutions from companies that provide scholarships. While the last category is a CSR program based on community empowerment/community development, which is carried out to preserve the environment and build a community that leads to the maintenance of harmonious relations between the company and the community [10].

It can be seen that there are several different definitions related to CSR from various experts and sources that have been stated above. However, this research focuses on and uses the CSR concept mentioned by the European Commission Green Paper, where the CSR concept is closely related to sustainable

development. The ability to endure throughout time through renewal, maintenance, and sustenance is referred to as sustainability. From an organizational standpoint, sustainability is a criterion for making business decisions and assessing outcomes. There are three critical dimensions of sustainability: the environmental, economic, and social aspects that this paper focused on. Concerns like peace and social justice are addressed in the social dimension of sustainability. Efforts to expand worker rights, enhance education, increase women's political empowerment, and reduce child labor, particularly in developing countries, are examples of social sustainability approaches. Another example of social sustainability is reducing poverty by assisting individuals in developing skills to make a living [11]. Following that, the form of the CSR concept that this research examined is CSR based on Community Development which PT. A. I. runs under the name of "Kampung Berseri A.". The said CSR program is conducted in the form of various community empowerment activities used by PT. A. I. to support and advance the Global SDGs and the SDGs run by the government.

The Sustainable Development Goals are an agreement in the global development plan, which is a continuation of the MDGs (Millennium Development Goals). In contrast to the MDGs, the SDGs accommodate the problems of development in a more comprehensive way. The SDGs carry five basic principles that are targeted to balance the economic, social, and environmental dimensions, namely People, Planet, Prosperity, Peace, and Partnership. These five principles cover 17 goals and 169 targets that are interconnected with each other for the creation of a better life. The SDGs were established in September 2015 at a high-level meeting at the UN headquarters, with 193 UN member countries agreeing to implement them for 15 years leading up to 2030, as a framework for the development agenda and political policies [12].

Various countries have their own designs for achieving the SDGs targets, and this also applies to Indonesia, which is also one of the countries that participate in implementing the SDGs program. The president signed a Presidential Regulation (Perpres) on SDGs Number 59 of 2017 concerning the Implementation of Achieving Sustainable Development Goals as a show of the government's commitment to achieving the SDGs (SDGs Indonesia). This Presidential Regulation covers various ways the Indonesian government can localize the global development agenda, such as through the establishment of a national SDG Secretariat, preparation of national plans and road maps, as well as using SDGs as a reference in the preparation of the national development plan (RPJMN) [13].

The fourth SDG, ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all, is one of the goals that this research focused on. Equal access to quality pre-primary education; free primary and secondary education; increased number of people with relevant skills for financial success; affordable technical, vocational, and higher education; universal literacy and numeracy;

elimination of all forms of discrimination in education; and education for sustainable development and global citizenship are the seven distinct outcome-oriented targets of this goal. Building and improving inclusive and safe schools, expanding higher education scholarships for developing countries, and boosting the supply of qualified teachers in developing countries are all internationally accepted methods for achieving those goals [14]. These targets nowadays are found not only to be a government responsibility but also non-state actors such as multinational corporations through their own CSR programs.

There are already several previous studies that explore the contribution that CSR brings toward the goals of SDGs. For example, research was conducted on how Asia Pulp and Paper (APP) Sinarmas, through its CSR program, carried out the responsibility in helping Indonesia achieve SDGs goals. According to the findings of that study, the CSR program implemented by APP Sinarmas as a non-state actor has supported the SDGs program through a Community Developmentbased CSR program called Community Investment, which has been designed and adjusted in accordance with the APP Sinarmas sustainability vision roadmap [15]. Another example is research on a similar topic but using Starbucks in Indonesia as its case study. It is also found that as a green company, Starbucks aligned its CSR program goals with the goals of the SDGs. It actively takes a role in environmentally sustainable development as a form of social responsibility through CSR programs that are integrated with marketing strategies [16].

This study's findings also relate to several previous research, such as the one written by Mukhliswal regarding the impact of the "Kampung Berseri A." CSR program on a community in Solok District. The research successfully shows and explains exhaustively how PT. A. I., through its "Kampung Berseri A." CSR program, managed to adequately bolster several socio-economy aspects in the Solok District, including the Education dimension in the community [17]. Both pieces of research show similar sentiment toward the argument that a corporate social responsibility program, in this case, the "Kampung Berseri A." by PT. A. I. does bring vast and positive impacts toward sustainable development. This research is also relevant to the previous research because while the previous study shows the effect the CSR program brings to the community, this research expands the depth of the study of the CSR effect to the extent of how it also helps advance the SDGs targets. However, there are many limitations that constraint this research, such as this research only focused on a single specific location, which is the T. Village, and only explored the effect of the "Kampung Berseri A." CSR program for the specific year of 2020 on the village education development effort. This research is also limited in explaining the effect of the "Kampung Berseri A." CSR program on only the fourth SDG, which is quality education. Furthermore, the time constraint is also one of the primary factors that limit this research.

### 3 Methods and Data Collection

The research was conducted using qualitative analysis methods. This study's scope focuses on the "Kampung Berseri A." program and its contribution toward the fourth agenda of SDG in T. Village in 2020. The dependent variable in this study is the level of community education in the T. Village. This increase in the level of education can be seen in the reduced illiteracy rate and the increased capacity of human resources, which can be done through the procurement and improvement of educational facilities infrastructure [18]. At the same time, the independent variable in this study is a CSR program belonging to PT. A. I., named "Kampung Berseri A.". This study uses the CSR theory as one of the sustainable development efforts to analyze the "Kampung Berseri A." program and see the impact of the program in advancing the 4th SDGs agenda in T. Village.

For this research, Primary data was obtained directly from the person in charge of PT. A. I.'s CSR program for the T. Village and data was taken from the community of T. Village through direct observation and interviews. At the same time, secondary data was obtained from journals, articles, and sustainability reports related to PT. A. I.'s CSR program.

## 4 Discussion and Findings

"Kampung Berseri A.", often known as KBA, is a community-based community development program that brings together the four pillars of PT. A. I.'s CSR programs in one village. This program's vision is to build a clean, healthy, smart, and productive environment with a mission to deliver the highest value for the nation and state, as well as to meet the community's requirements [19]. In 2021, PT. A. I. fostered more than 133 KBA villages scattered in 34 provinces in Indonesia. In its planning, KBA refers to the company's four pillars as a synergy of the company's vision and mission. The KBA program is carried out in collaboration with the community and community leaders. It is strived to form a sustainable relationship between PT. A. I. with the public. After communicating with residents about the program to be implemented, the company immediately implements the CSR program, which includes four pillars in the fields of education, health, environment, and MSMEs guided by AFC (PT. A. I. Friendly Company). This program focuses on improving the community-based economy optimizing local potential to provide added value to the community [20]. This program is in line with the goals of the SDGs, namely changing human life for the better in social-economic aspects and being able to synergize with the environment that applies to all nations without exception.

The fourth goal of the SDGs discusses the realization of quality education for all human beings, in which education is considered a fundamental right for everyone. Education has a crucial role in supporting human life because humans cannot be separated from education in carrying out their lives. Increasing the level of education directly impacts the level of human welfare

[21]. PT. A. I., through its "Kampung Berseri A." CSR program, has made education one of the main pillars of the program. This is reflected in the educational targets that PT. A. I. has set to achieve in the form of providing educational achievements at the provincial level, increasing the school-age participation rate to 81%-85%, and declaring the level of illiteracy-free society at 91%-95%. In implementing the "Kampung Berseri A." education program, it has excellent programs such as providing scholarships to underprivileged students so that it is easier for them to carry out their educational process, or by providing facilities in the form of educational facilities and infrastructure, or by building smart homes [22].

T. Village is designated by PT. A. I. as one of their primaries "Cultural Tourism Village" which, based on their sustainability report, is defined as a model of the center of economic growth and community welfare through the potential of a tourist village combined with the culture. To achieve this target, they used the KBA program and focused on all four pillars, including the education aspect. Initially, the majority of young people in the T. village only attended and finished either elementary or junior high school because of family conditions. The conditions of their school are also not up to nowadays standards. Other defining factors also lie in the quality of the educators or teachers that is not sufficient. PT. A. I., through the KBA, successfully remedied all of these problems by providing around 1000 students with a scholarship package until Senior High/Vocational school and giving training and development programs to around 60 teachers in the area. Five schools are also getting built, renovated, and added with sufficient infrastructure such as laboratories and libraries that are up to current standards [19]

Based on the interview with Mr. Agus Sulaedi that acted as the one in charge for "Kampung Berseri A." in T. Village, the study also found that PT. A. I., through the KBA program, collaborated with the local education authority has devised and began the A. School Development Program (ASDP), which was started and implemented in 2019 with the goal of increasing the competency and professional development of school administrators and managers. The quality of public and private schools is predicted to improve due to this approach. Quality encompasses not just academic but also non-academic characteristics. Training, workshops, or workshops relating to the design or design of excellent schools and developing teachers' professionalism as academic staff starting at the Kindergarten, Elementary, and Junior High School levels were the types of activities in this program. PT. A. I. also established the A. Education Foundation as a basis for funding their scholarship program package, as the one stated in the previous paragraph, and help those in need of proper education to get what they need. A survey toward the community has also confirmed that PT. A. I. has indeed brought positive impacts to the T. Village based on how the education condition in the village has very much improved than before the program ran in the village, and many of the families in the village has directly affected by the program. This clearly confirms that PT. A. I. does contribute in developing and

fostering the education quality in T. Village through its KBA program, and thus contributes towards the fulfilment of the fourth Sustainable Development Goal regarding quality education for all people.

#### **5 Conclusion**

This research has successfully analyzed the impact of the CSR program of PT. A. I., the "Kampung Berseri A.", toward the T. Village, especially on the matter of building and providing quality education as it is written in the fourth agenda of the Sustainable Development Goals and found that PT. A. I., through its "Kampung Berseri A." program, has managed to push further the agenda of SDGs, especially the fourth SDG regarding quality education in T. Village, and It is directly reflected on one of the CSR program pillars, which focused on the education development in the affected villages. Through its "Kampung Berseri A." program, PT. A. I. brings many advancements in the T. Village's education sector and, as such, helps the Indonesian government progress in achieving the fourth goal of the Sustainable Development Goals.

There are several gaps in this study that follow from this research findings and would greatly benefit from further research in the future. Future research could explore the impact toward SDGs from different CSR programs from PT. A. I., such as the recently launched "Desa Sejahtera A.". There are also locations with "Kampung Berseri A." that have already been running or just started other than T. Village. They are open to future research regarding CSR and its implications for the SDGs target. While this research already explores the impact of a CSR program on the fourth SDG, the other SDGs related to the environment, health and wellbeing, and the economy still need to be explored exhaustively in future research.

From the findings of this study, several recommendations can be applied to relevant and impacted parties such as local communities, governing bodies, and multinational companies. For the local communities, it is recommended to always actively support such community development programs from the5ulfilent or multinational companies such as the "Kampung Berseri A." that this study explores. Collaboration from the local community is always needed for the program to have a significant impact and to continue as intended. For the government, this study's findings recommend that in the future, it can improve its community empowerment and development programs in order to bring welfare and improvement to the suburban areas. For the multinational companies, this study finds that it is already on the right path in establishing and maintaining sustainable development toward the local community through their CSR program. It is recommended that many other locations could also be covered in the future that will bring fulfilment of SDGs targets more evenly in Indonesia.

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