

# Impact Analysis of PT. XYZ's MNC Business Process on Point 3, 6, and 13 Sustainable Development Goals (Case Study of Land and Forest Fires in Related Regency West Kalimantan)

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**Abstract.** This study aims to analyze the impact of MNC's business processes on points 3, 6, and 13 of the Sustainable Development Goals, where the SDGs are a global action plan for people, planet, and well-being, where world leaders including Indonesia have agreed with it. The focus in this research is MNC PT.XYZ, who is engaged in oil palm plantations in Related Regency, West Kalimantan, who is involved in forest and land fires, either intentionally for clearing new land, or unintentionally as a result of the company's negligence that did not pay attention to land conditions, especially during the dry season. This study uses a qualitative descriptive research method. The data used in this research is primary data through interviews and secondary data through books, scientific journals, and news. Through this research, it can be seen that the business process of PT.XYZ has an impact on point 3 SDGs namely public health, point 6 SDGs namely clean water, and point 13 SDGs namely climate change based on cases of forest and land fires in Related Regency West Kalimantan.

## 1 Introduction

The oil palm plantation sector is one of the commodities in Indonesia that is in great demand by many foreign companies engaged in the plantation sector. Oil palm is the development of an agribusiness-based plantation sub-sector. In Indonesia's macro economy, the palm oil industry has a strategic role [1]. The oil palm plantation sector and its processed products provide high added value in the economic sector. This commodity is the largest production in Indonesia with data from the Central Statistics Agency that the export value of palm oil in 2015 reached US\$ 18.6 billion. This has made Indonesia the world's largest producer of palm oil since 2006. Even in the world, Indonesia is the largest producer of Crude Palm Oil and is considered to be able to make a major contribution to meeting the needs of Crude Palm Oil in the world [2]. In 2014 Indonesian oil palm plantation concessions had an area of 10,754,801 hectares, with the largest being owned by foreign companies with an area of 5,603,414 hectares, 4,422,365 hectares operated by smallholders without being controlled by private companies or PTPN, and the remaining 729,022 hectares owned by PTPN [3]. In 2015 there was an increase of 4.83%. In 2016 there was an increase of 3.19% from the previous year. Based on data from the Directorate General of Plantations, in 2017 the area of oil palm plantations in Indonesia reached 14,048,722 hectares, in 2018 it reached 14,326,350 hectares, in 2019 it reached 14,456,611 hectares, in 2020 it reached 14,858,300 hectares, and in

2021 it reached 15,081,021 hectares. And CPO production in 2017 reached 42 million tons, while 2018 was recorded at 48 million tons. The business processes carried out by the company must pay attention to the preservation of environmental functions. This is because the preservation of environmental functions is a responsibility that demands every role to increase the carrying capacity of the environment [4], especially companies because the company's business processes contain the risk of environmental degradation and damage that have a real impact on human life and other living things. The presence of MNCs engaged in the palm oil commodity industry has also increased environmental phenomena in Indonesia, especially related to the issue of environmental violations, namely forest and land fires for the preparation of plantation land. The presence of MNCs in the oil palm plantation sector which converts land functions for oil palm plantation expansion increases the potential for uncontrolled forest fires [5]. This phenomenon causes continuous environmental damage such as passive climate change, air pollution, limited access to clean water, floods, landslides and so on. This phenomenon also often raises other important issues, namely issues related to human health, this is because MNC's business processes that cause forest and land fires have the potential to produce smoke which in addition to having an impact on the environment is also harmful to human health. Based on data from Greenpeace Southeast Asia, between 2015-2019, around 4.4 million hectares of land burned in Indonesia with 1.3 million hectares of fire area

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located in oil palm concessions, cases of forest and land fires that occurred in 2019 were the worst since 2015 with an area of 1.6 million hectares [6]. Walhi noted that in 2015 as many as 439 companies were involved in forest and land fires, 308 of which were palm oil companies [7]. Even in 2019, the Ministry of Environment and Forestry claimed to have sealed 42 company lands, and 4 companies were named suspects. This shows that in their business processes, there are still many companies, especially MNCs engaged in oil palm plantations that have the potential to cause forest and land fires that can pollute the environment and endanger public health. This phenomenon is of course a problem because it contradicts the Sustainable Development Goals, which is a global action plan for people, planet, and well-being, where world leaders including Indonesia have agreed with it [8]. To achieve the goals of the SDGs, efforts are not only needed by the government, but also civil society and business actors, including by expanding foreign companies. Indonesia is one of the countries that agreed to the determination of the SDGs. The SDGs have been in effect in Indonesia since early 2016. In Indonesia, the 17 goals of the SDGs are divided into 4 pillars. The pillars involved in this phenomenon are the pillars of social development and the pillars of environmental development. The parties implementing the SDGs in Indonesia include the government and parliament, community organizations, academics and experts, as well as philanthropists and business actors [9]. These parties have a moral obligation to participate and work together to build partnerships with one another to realize the Sustainable Development Goals in Indonesia. This shows that MNCs as business actors are one of the pillars in the successful implementation of the SDGs in Indonesia. The presence of MNCs in Indonesia does have a positive impact on economic growth and reduces the unemployment rate. However, in its business process, MNC as an economic actor cannot be separated from environmental issues that have a lot of negative impacts on the environment and surrounding communities. In Indonesia, many MNCs have proven their involvement in the implementation of the SDGs by campaigning for SDGs points, and making various sustainable development programs in various sectors, even some MNCs are also members of the Indonesia Business Council for Sustainable Development for their commitment to implementing the SDGs [10].

The majority of the palm oil industry sector in Indonesia is centered in Kalimantan because of the texture and type of soil that is adequate for oil palm plantations. The area of oil palm plantations in West Kalimantan is increasing every year. Based on data from the Directorate General of Plantations, in 2017 the area of oil palm plantations in West Kalimantan reached 1,504,787 hectares, then in 2018 it reached 1,815,133 hectares, in 2019 it reached 2,017,456 hectares, in 2020 it reached 2,039,203 hectares, and in 2021 it reaches 2,070,272 hectares. Related Regency is one of the areas in West Kalimantan where the area of oil palm plantations is increasing every year. Based on West Kalimantan BPS data, in 2018 it reached 10,095

hectares, in 2019 it reached 14,815 hectares, and in 2021 it reached 21,677 hectares [11]. The proportion of oil palm plantations in West Kalimantan is mostly dominated by foreign companies with community-owned plantations: PPTN: and private sector at 11.07%: 0.06%, and 88.17%, and in Related Regency where the ratio is percentage of oil palm plantations owned by the people by 28.47% and private sector by 71.53%. In Kalimantan, with many plantation activities, Kalimantan is the area that is most highlighted regarding the issue of forest and land fires, where in 2018 forest and land fires in Kalimantan reached 242,385.79 hectares and peaked in 2019 which reached 428,077.00 hectares. This also caused Kalimantan in 2019 to experience the highest deforestation in Indonesia. In 2019, there were 1,865 forest and land fire hotspots in Kalimantan, this is based on monitoring from the BMKG. The largest deforestation is caused by forest fires, including in West Kalimantan as a result of the conversion of forest to land [12]. PT.XYZ is a foreign company located in West Kalimantan, precisely in Related Regency, which is engaged in oil palm plantations. PT.XYZ, which was established in Related Regency West Kalimantan since 2010, is a Malaysian-owned company that is currently expanding into Indonesia. PT.XYZ's factory produces CPO and Palm Kernel. PT.XYZ has an area of palm oil plantations which is quite dominating in Related Regency West Kalimantan which is spread over several areas. In addition, PT.XYZ is also the MNC most frequently involved in cases of forest and land fires in Related Regency. Forest and land fires in Related Regency West Kalimantan involve MNC due to land clearing and negligence in monitoring oil palm plantation land, this is because as a business actor, MNC is also responsible for issues that occur as a result of MNC's business processes that can reduce environmental quality and contrary to efforts to achieve SDGs points related to environmental issues and public health issues. In this case point 3, point 6, and point 13 of the SDGs are the right SDGs points related to this phenomenon, namely point 3 of healthy and prosperous life, especially in the healthy life of the surrounding community, then point 6, namely clean water and sanitation, especially in the aspect of clean water, and point 13 for handling climate change. Where forest and land fires intentionally or unintentionally as a result of MNC's business processes can cause public health problems, and also pollute water sources used by people in Related Regency West Kalimantan for activities and daily needs and can also threaten climate conditions. Referring to this background, this research needs to be carried out considering that with PT.XYZ's position as Multinational Corporations that carry out their business processes in the field of oil palm plantations with a large number of oil palm plantations in Related Regency, West Kalimantan, of course PT.XYZ cannot apart from environmental issues, so PT.XYZ's business processes also need to be considered which can have an impact on points 3, 6 and 13 of the SDGs. Based on this background, the research question in this study is "How does the business process impact of PT.XYZ on points

3, 6, and 13 of the SDGs regarding the issue of forest and land fires in Related Regency West Kalimantan?” This Research Question is a question for qualitative research because it seeks to describe and analyze problems that occur based on field facts, and the data is obtained by going directly to the field through interviews with local communities who experience or are affected by this phenomenon.



**Fig. 1.** Conceptual Framework

This study aims to analyze the impact of PT.XYZ’s business process in the field of oil palm plantations on point 3 SDGs namely public health, point 6 SDGs namely access to clean water, and point 13 SDGs namely handling climate change based on cases of forest and land fires in Related Regency West Kalimantan caused by PT.XYZ as an MNC. Figure 1 shows the conceptual framework. The motivation for conducting the SDGs study for PT.XYZ and not generally in the industry is because although the phenomenon of forest and land fires that have an impact on the implementation of SDGs occurs because of the oil palm plantation industry, of course there are actors who are the masterminds behind this phenomenon, in addition, the oil palm plantation industry cannot be fully blamed for this phenomenon, but actors related to the oil palm plantation industry are negligent and irresponsible, PT.XYZ is the mastermind and is one of the MNCs in the oil palm plantation sector in West Kalimantan which has been named a suspect by the Ministry of Environment and Forestry related to forest and land fires because they are considered negligent and irresponsible in carrying out their business processes, with this, it is necessary to realize that PT.XYZ’s business processes that cause this phenomenon directly have an impact on the implementation of the SDGs so that research needs to be carried out.

## 2 Literature Review

Sustainable development is actually something that has been heard for a long time even though the term sustainable development has only been around recently, the term sustainable development has various definitions since the time of its existence, as in the research of [13] which mentions a simple definition of Sustainable Development Goals as development activities to meet the needs of the current generation without reducing the ability of future generations to meet their future needs. The term sustainable development was first popularized in Our Common Future in 1987 which is a report published by the World Commission on Environment and Development. The

SDGs are considered as an international commitment in order to improve the quality of life of current and future generations. The big agenda of the SDGs can only be achieved with the broad and sustainable participation of all stakeholders, and the private sector or business actors have an important contribution to support the SDGs. [14] in his research explains that MNCs are currently growing in almost all countries in the world, various MNC’s activities have a real impact on the quality of human life from all individual and community lives. So, they should understand the various impacts of business processes as MNCs, especially during the Sustainable Development Goals. In public, MNC acknowledges and supports the SDGs, but the fact is that there are still many violations related to SDGs committed by MNCs. The principle of efficiency is applied by MNCs to get the maximum profit with minimal expenses. [15] stated that the economies of countries, especially developing countries, desperately need foreign investors in the form of MNCs to support the economy to continue to run and grow. In Indonesia, many MNCs burn forests for plantation purposes, this aims to save more and reduce costs in order to open new plantation land. Regarding forest and land fires in Indonesia, it has been explicitly regulated in Article 49 of the Law of the Republic of Indonesia Number 41 of 1999 concerning Forestry, which concludes that if forest and land fires occur in MNC land areas that occur intentionally or unintentionally, MNC will automatically be responsible. Forest and land fires in Indonesia are included as a very serious violation of international environmental law. The three literatures by [13-15] have reviewed that Sustainable Development is something that is very popular today and needs to be implemented, including by MNCs, even though in reality many MNCs still violate Sustainable Development including through cases of forest and land fires. However, from the existing literature, the impact of MNC’s business processes on the Sustainable Development Goals has not been specifically discussed, so it becomes very interesting to discuss. Various previous studies in this literature review are related to this research, such as research by [14] which states that various MNC activities have a very real impact in life, so MNCs should understand the consequences that can arise from their business processes, especially related to the SDGs, but the facts on the ground show that there are still many environmental violations caused by MNCs which then have an impact on various SDGs goals, this is related to this research where the presence of PT.XYZ as an MNC also has a real impact on PT. XYZ’s business processes, namely causing the phenomenon of forest and land fires which have an impact on goals 3, 6, and 13 in the SDGs.

## 3 Methods

This research method used in this research is a descriptive qualitative method. Sources of data in this study are primary data sources and secondary data sources. Qualitative research is a research procedure carried out to reveal a holistic-contextual phenomenon

that produces descriptive data by utilizing various scientific methods and through observation. Descriptive research method is a research approach to describe the phenomena or characteristics of the population being studied. The primary data sources in this study are interviews, and secondary data sources in this study are books, scientific journals, and news. Data collection in this research is through field studies by going directly into the field conducting interviews with the NB village community, the head of the Old NB hamlet and the NB Village Head, then literature study by taking data from various books, scientific journals and other previous research, then study documentation through electronic news. The limitation of this research is based on time, namely this research only focuses on forest and land fires that occurred in 2015 and 2019, because in both years forest and land fires occurred on a large scale and even caused the highest deforestation in Kalimantan. The limitations of this research are also seen from the location, where in the case of forest and land fires in Related Regency West Kalimantan, this research focuses on being carried out at the NB Village location, this is because most of the PT.XYZ oil palm plantation areas that experienced fires were in this village.

#### 4 Result and Discussion

PT.XYZ is an MNC engaged in oil palm plantations in the Related Regency, West Kalimantan. PT.XYZ is a subsidiary of a Malaysian company called FGH [16]. PT.XYZ has been established in Related Regency West Kalimantan since 2010 and runs its business processes in four major areas in Related Regency, namely in the PN, UP, SF and HB sub-districts [17]. In this study, goals 3, 6, and 13 of the SDGs became the goals of the SDGs which were also affected by the business processes of PT.XYZ. There are still many environmental violations caused by PT.XYZ, and the issue of forest and land fires in Related Regency West Kalimantan are environmental issues that are most attached to PT.XYZ during its business processes. In implementing the SDGs, CSR theory plays a very important role, where CSR has a close relationship in realizing the Sustainable Development Goals. CSR is disguised by companies as a form of social investment carried out with other stakeholders, CSR theory encourages change to occur and has a positive impact on stakeholders and the company. CSR theory also shows corporate social responsibility and commitment to sustainable corporate business that makes companies exhibit ethical behavior, where companies will contribute to economic development as well as contribute to improving the quality of life and the environment [18]. Based on the CSR theory that companies should show concern and participation of companies in preserving the environment, where companies need to create a healthy and safe environment. On the other hand, PT.XYZ is actually known to be involved in the case of forest and land fires in West Kalimantan in business process. In 2015, PT.XYZ dealt with the police regarding the case of

forest and land fires that occurred in Related Regency West Kalimantan [3]. This was conveyed by Mr. RD, S.H. who is the General Chairperson of the Indonesia Crisis Center, through a written letter on December 7, 2016. PT.XYZ's case related to forest and land fires has been registered in letter No. 102/ICC/SRT/XII/2015, according to the Head of the West Kalimantan Police, Mr. RD, there are reports from the community that there is an element of intent by the company that causes forest and land fires to occur, where the company clears land by burning for a new planting season [3]. In 2019 there were again massive forest and land fires in Kalimantan reaching 428,077.00 hectares, and even in West Kalimantan Forest and land fires reached 127,462.00 hectares (see Table 1).

**Table 1.** Recapitulation of land and forest fires in West Kalimantan from 2015-2019 by Directorate of PKHL Ministry of Environment and Forestry RI.

No.	Year	Large
1.	2015	93.515, 90 Hectares
2.	2016	9.179, 19 Hectares
3.	2017	7.47,33 Hectares
4.	2018	68.422, 03 Hectares
5.	2019	127.462,00 Hectares

Most of the companies, both local companies and MNCs are involved in these forest and land fires, because of the systematic burning activities carried out by the companies. And one of the MNCs in West Kalimantan that contributed to the biggest land and forest fires in West Kalimantan is PT.XYZ. This was also reported by the Indonesian Ministry of Environment and Forestry which stated that there were four foreign companies that were the masterminds of forest and land fires in 2019 [19], one of which was PT.XYZ in Related Regency, West Kalimantan. PT. XYZ is one of the Malaysian-owned palm oil companies in West Kalimantan which was sealed by the Ministry of Environment and Forestry due to forest and land fires of this company in 2019 with an area of 600 hectares of fire [20]. Several land are as of PT.XYZ that experienced forest and land fires, including in the area of NB Village, TR Hamlet, KT Village, UP District, PN District, KG Hamlet, TS Village, SF District, KM, and KN [21]. The Related District Police also sealed activities on the oil palm plantations of PT.XYZ in SF, PN, and UP Subdistricts due to fires on PT. XYZ's land continued to spread to an area of more than 900 hectares for more than 3 weeks, this is based on an interview with the Related Police Chief, AKBP AF, SIK, M.Si quoted from Mitrapol that the sealing of activities on PT.XYZ's land due to forest and land fires is based on the law, where the concession area burned will be held accountable from the legal aspect of the law as well as in terms of licensing by authorized law enforcers [22].

One of the important patterns in CSR theory is partnering with other parties, both social institutions, non-governmental organizations, governments, mass media, and others, where companies implement CSR in collaboration with partners. Based on this CSR theory pattern, PT. XYZ has cooperative relationships with other partners, such as partnering with an international non-profit organization called RSPO, where the RSPO becomes a unifying forum for various actors and other parties who have interests in the palm oil industry sector [3]. RSPO was formed at the initiative of the World Wildlife Fund which aims to promote sustainable palm oil production and processing. In this organization, PT.XYZ is an Active Non-Compliance actor because it is still quite active in making and providing annual reports to the RSPO, but based on an interview with a retired RSPO officer quoted from the journal by M. Andika Yudhistira that PT.XYZ is said to be less cooperative in participating to providing alternative commitments and new policies related to efforts to resolve the problem of forest and land fires [3]. Referring to this CSR theory pattern, PT.XYZ which includes MNCs that run their business processes in Related Regency West Kalimantan, so it should be for PT. XYZ to have good relations and build cooperation with the government, especially the Related Regency government, but what happened was the opposite, namely because the case of forest and land fires that occurred caused PT.XYZ was in the spotlight and received a strong rebuke from the Related Regency government, there are facts that prove this, where in 2019 various agencies and the local government of Related Regency West Kalimantan participated directly in giving warnings not to carry out activities on the burned land of PT. XYZ, in this case the local government in question consists of various agencies including the Environment Service, Food and Plantation Service, BPBD, Manggala Agni, and Danramil PN [23]. Companies have the ability to create a positive reputation and corporate image which is also emphasized in CSR theory. But what happened to PT. XYZ was the opposite, which was designated as one of the suspects by the Ministry of Environment and Forestry of the Republic of Indonesia is the reputation and image of PT. XYZ after causing forest and land fires in 2019. The Ministry of Environment and Forestry asks the local government, especially the Regent as the Regional Head to take firm action against companies that have been designated as suspects, this caused PT.XYZ's license to be revoked, then paying fines for compensation and restoration of land damaged by forest and land fires, as well as getting a sentence of 12 years in prison are various sanctions that threaten PT.XYZ, this was conveyed directly by the Director General of Law Enforcement of the Ministry of Environment and Forestry through an interview quoted from *Republika* [24]. The Director General of Environmental and Forestry Law Enforcement, Mr. RR, said that due to cases of forest and land fires, PT.XYZ was sued by the Ministry of Environment and Forestry of the Republic of Indonesia to the ST District Court; this lawsuit is a civil lawsuit as a form of compensation by PT.XYZ for

the forest and land fires that occurred in the concession area of 2,560 hectares, besides that this lawsuit is known to be worth 1 trillion rupiah [25]. PT.XYZ received a lawsuit from the Ministry of Environment and Forestry of the Republic of Indonesia, where the lawsuit was given as compensation for environmental damage with details of the lawsuit amounting to 731.03 billion rupiah for the restoration of the environment damaged by land fires that occurred, then 270.80 billion rupiah will be deposited into the Indonesian state treasury [26]. CSR theory explains that the company's involvement in social responsibility towards the environment and society is in line with the goals of the SDGs covering the environment including monitoring the impact of pollution, and human health, the SDGs goals that are in line with this are goals 3, 6, and 13 of the SDGs. Referring to this CSR theory that the business process is run by PT.XYZ in Related Regency West Kalimantan has been proven to have caused forest and land fires to occur, this clearly has an impact on goals 3, 6, and 13 of the SDGs.

Impact on point 3 of the SDGs, in particular on public health, namely forest and land fires that cause smoke containing harmful gasses and particles such as sulfur dioxide, carbon monoxide, nitrogen oxides, and surface ozone [27], which causes air pollution where the air becomes bad, this can cause health problems in the community, such as respiratory problems, acute respiratory infections, eye irritation, skin allergies, coughs, flu, shortness of breath, diarrhea and headaches, even carbon dioxide gas and polycyclic aromatic hydrocarbons produced by forest and land fire smoke can cause bronchial asthma and bronchitis, the dangers of smoke from forest and land fires have an impact, especially on various more vulnerable individuals, such as the elderly, pregnant or breastfeeding mothers, toddlers, and people with respiratory and heart problems [28]. Even if inhaled for a long time, harmful substances from the smoke from forest and land fires can cause death. In the case of forest and land fires in Related Regency West Kalimantan in 2019 there were many people who were attacked by Acute Respiratory Infections due to smog from forest and land fires, based on information from the Head of the Related District Health Office, Mr. JA quoted from Kalimantan news that sufferers of Acute Respiratory Infections consist of children to adults, and most of them complain of respiratory problems to eye pain, based on data from the Related District Health Office that as of September there were 39 residents in a number of health centers experiencing acute respiratory infections due to forest and land fire smoke, including 17 residents at the LP health center, 4 residents at the MK health center, and 18 residents at the PN Health Center [29]. Based on an interview with the Hamlet Head of the Old NB, Mr. E that oil palm plantations are located around community settlements, so that when the phenomenon of forest and land fires occurs in PT.XYZ's business process, the impact on the goals of the 3 SDGs is felt by the surrounding community, where smoke from forest and land fires is inhaled by the community so that public health becomes disrupted. This impact will be very

dangerous for vulnerable communities such as the elderly, toddlers, people with respiratory or lung diseases and pregnant women. Through interviews with two residents of NB Village, namely Mr. E and Mr. C whose house is close to the fire concession area, that the forest and land fires that occurred emitted a lot of thick smoke, it even spread to their homes within a few days, this causes them, their families, and their neighbors to experience respiratory problems and eye irritation such as becoming red and sore. And according to them, the smoke from these fires has a major impact on the health of the elderly villagers, this is because the majority of community houses around PT.XYZ's land are old houses belonging to elderly people. The forest and land fires of PT.XYZ spread to burn the land of the surrounding community, causing more smoke, this was conveyed by the Head of BPBD Related Regency, Mr. S [30]. With more smoke conditions, it causes air conditions to get worse and increasingly have a dangerous impact on public health. Based on an interview with the Head of Ops, AKP DFS, who led the joint Task Force to extinguish PT. XYZ's forest and land fires, quoted from Suarapemred that the smoke from these fires had a direct impact on the health of team members who went to the field, in particular causing eye irritation which tasted spicy due to exposure to smoke [21]. In goal 6 of the SDGs, specifically for clean water, it is stated that clean water consists of water that is safe for consumption or drinking, as well as water that is also safe for use for other household purposes, where the water is categorized as clean water if it meets certain standards. Ensuring the availability and management of clean water is a target in the 6 SDGs that needs to be achieved [31]. Smoke from forest and land fires contains mercury, phosphate, nitrate and nitrite which can have a negative impact on the goals of the 6 SDGs, specifically clean water, where if the smoke touches the surface of clean water sources it will make the water source contaminated and undergo changes in water quality, where the water becomes containing various harmful substances [32]. This causes the water source to be unsafe and unfit for use by the community. Based on an interview with Mrs. S, the villager of NB Village who rely on river water in the PT.XYZ's fire concession area as a source of water for their daily needs, in NB Village which is one of the areas of PT.XYZ runs its business processes, river water is a source of clean water used by the community for daily needs such as drinking water, cooking water, bathing water and so on. Almost all people use river water as a source of water for household purposes, where communities will use pipes or water suction machines to drain river water into their homes and some even use tools to make the water sterile so that it is fit for consumption. According to Mrs. S, the smoke from forest and land fires of course contains various harmful substances and the smoke can spread and enter the river which is used by the village community as a source of clean water, so when forest and land fires occur, of course the water source located in the PT.XYZ concession area is contaminated with various hazardous substances from forest and land fire smoke, this causes the water source to become unfit and unsafe for

consumption by the community. Based on interviews with other NB villagers who also rely on river water in the PT.XYZ fire concession area as a water source, namely Mrs. L, that before the forest and land fires by PT.XYZ occurred, the condition of the river water was very clean, however when the forest and land fires occur, the remnants of a fire such as debris or plant ashes and burnt waste enter the river water and pollute the water so that the river water becomes cloudy, dirty and changes color. Even according to Mrs. L, often the river water that is sucked in has been mixed with ash and dirt from the fire so that the color of the water becomes darker and this causes the river water to be no longer suitable to be used as a source of clean water by the villagers for their daily needs in the long term quite a long time. Carbon dioxide emission levels will increase in the atmosphere when forest and land fires occur, so that the greenhouse effect becomes stronger and then causes climate change to accelerate [33]. This plays a major role in climate change. The function of the forest is actually to absorb carbon dioxide, but now the forest has lost the ability to absorb carbon dioxide gas due to forest and land fires, this causes global warming, where the temperature is getting hotter and the weather conditions are unstable [34]. Global warming has an effect in accelerating the process of climate change. Forest and land fires cause the release of carbon dioxide and various other gases in large quantities into the air to reach the atmosphere, thereby increasing the concentration of carbon dioxide and other gases in the atmosphere, this is the main sector and the largest contributor to greenhouse gas emissions, with excessive amounts of various greenhouse gases in the atmosphere causing more and more solar heat to be trapped on the earth's surface and the earth's surface temperature to rise, it means that the greenhouse gases that cause global warming encourage extreme climate change [35]. This shows that the case of forest and land fires have impacts on point 13 SDGs. Based on an interview with Mr. J who is one of the village administrators, the symptoms or characteristics of climate change after forest and land fires by PT. XYZ are indeed felt by many such as temperature increases and extreme weather that causes the weather to become very hot and even a long dry season occurs, and flooding is easier due to high rainfall, the change of seasons also becomes erratic and even affects agricultural yields which are not optimal, then the surrounding community also becomes more susceptible to diseases that occur due to climate change. Based on information through an interview with Mrs. A who is one of the villager of NB Village, that the weather is getting hotter and a prolonged dry season is not as usual, which is the most felt impact due to forest and land fires by PT.XYZ, in addition, the weather and seasons become erratic and unpredictable, rainfall is also very high and it becomes easier for floods to occur, even though the weather conditions and changing seasons in NB Village are more stable than before the forest and land fires occurred. Based on an interview with the Village Head of NB who is also the Chairman of the Regional Unit Cooperative of PT.XYZ for two periods, namely Mr. PS that the company's business

processes are either intentionally for clearing new land, or unintentionally because the company is negligent in maintaining and paying attention to the concession area, especially during the dry season it is the cause of forest and land fires. In addition, according to Mr. PS, because most of the PT.XYZ concession areas that were burned were in NB Village, causing the people of NB Village to be the party most affected by the forest and land fires. In the case of forest and land fires, many people experience health problems such as respiratory problems due to inhaling smoke, and many people also experience eye irritation. Another impact is that access to clean water is limited, where some rivers that are used as sources of clean water by the community become cloudy and even smell charred. This also had time to make the community worried if the river water could not return clear so that it could no longer be used by the community. Then, many people also complained about the temperature and the weather being hotter than usual and the season was erratic, where sometimes it was scorching hot and then suddenly it rained heavily continuously. This has also hampered the work of farmers in NB Village, where many claim to have failed to harvest. In addition, NB Village is also more prone to flooding and prolonged drought. These various impacts are the impact of MNC PT.XYZ's business processes on goals 3, 6, and 13 of the SDGs.

## 5 Conclusion

With the global action reaction to create development through the SDGs, all forms of company business processes, including PT.XYZ as an MNC in Indonesia must be adjusted to the goals in the Sustainable Development Goals. However, based on this research, its business processes are related to the palm oil industry, PT.XYZ is involved in the issue of forest and land fires in Related Regency West Kalimantan, where this has an impact on the 3 SDGs goals, namely human health, the 6 SDGs goals namely access to clean water, and the 13 SDGs goals namely climate change. CSR theory explains that these various impacts do not support the creation of sustainable development on the environment and society, and do not show MNC's commitment to maintaining a healthy and safe environment. Forest and land fires produce smoke that contains hazardous substances that can threaten human health if inhaled, and causes limited access to clean water because it is contaminated with smoke and residual ash from fires, then forest and land fires also release carbon emissions and cause global warming, where this drive climate change. The impact of PT.XYZ's business process on points 3, 6, and 13 of the SDGs was felt by the community around the burned land, especially the community in NB Village.

In this study, the reference list is relevant because it is closely related to the topic and is current with a span of 5 years, but some references are not identified by the author's name or only display the name of the agency or institution, so for suggestions for improvement it is recommended that further research can use a reference

list that has complete scientific rules so that it can be trusted more adequately relevant and more likely to avoid bias, the validity of the results and data in this study can also be accounted for and the methods used in obtaining the original data have also been sufficiently documented because this research was conducted through triangulation of data sources, namely obtained from various sources through interviews, but as recommendations and suggestions for improvement because this research is a qualitative research so that field facts can change over time, so if there is a continuation of research of course testing the validity of data and results must continue to be carried out in accordance with field conditions and the latest social situation so that the validity of the data and results in the next research is more accountable. This research has also provided pictures and tables with satisfactory quality complete with an abstract that includes an introduction, objectives, results, methods and a brief conclusion.

From the results of this study, recommendations that can be given include MNCs as business actors that need to adjust economic interests with the environment and the community especially must be able to contribute to the achievement of the SDGs. This is because as a business actor, MNC's business processes contribute a lot to environmental destruction. In addition, with the achievement of the SDGs, a sustainable business environment will be created and MNCs will be more accepted and supported by the community. Then in order to achieve the SDGs, MNC's business processes should be more friendly to the environment, not clearing land through burning but with other alternatives that are safer and environmentally friendly, because maybe the burning activity will be profitable for the company but not for the surrounding community and can even have a bad impact on the implementation of the SDGs, especially points 3, 6, 13 of the SDGs, which means that the needs of future generations will also be threatened.

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