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Optimalization Strategy for Corporate Social Responsibility (CSR) Programs Based on Community Empowerment Towards Economic Independence Post-Mining by the Gold Mining Business Unit of PT Antam Tbk.

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Abstract

This study aims to evaluate the implementation, challenges, and strategies of PT Antam Pongkor's CSR program to enhance the economic independence of local communities. Using qualitative methods, this study produces interviews and data analysis to describe the situation. The sample was purposively selected, involving the company, village government, and CSR recipients. Data collection techniques included interviews, observation, and documentation, with semi-structured interviews used to obtain in-depth data. Triangulation methods were employed to verify the data through various approaches, including data sources, researchers, theories, and methods. The results indicate that PT Antam's CSR program needs to be more effective by adhering to the Triple Bottom Line principles (People, Planet, Profit). Recommended strategies include skills training in agriculture, livestock, and SMEs. The challenges faced include community dependency on the company, changes in funding, lack of community involvement, and limited resources. To address these issues, the company needs to develop empowerment programs, increase community engagement, and strengthen the monitoring and evaluation system.

Keywords: CSR Implementation, Community Empowerment, Mining Sector

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INTRODUCTION

The global mining sector has rapidly advanced with sophisticated technology and sustainable practices, addressing the increasing demand for mineral and metal commodities (Irzon, 2021). However, in Indonesia, despite mining's significant contribution to the economy, the sector faces challenges such as agrarian conflicts and environmental impacts (Sihite et al., 2023). The government is working to enhance regulations and policies to ensure sustainable practices and economic value addition (Zainal et al., 2022).

The implementation of an optimal CSR strategy based on community empowerment towards economic independence post-mining needs to consider various factors, including the company's economic motives. According to the Triple Bottom Line theory, the success of a CSR program should be viewed from three dimensions: economic profit, community well-being, and environmental sustainability. However, government policies that mandate companies to implement CSR are often motivated by economic benefits, such as building the company's image and ensuring operational continuity (Zainal et al., 2022). This means that although CSR laws aim to improve community well-being, in practice, they are not free from the company's economic profit motives.

Community development activities should be aimed at increasing access for communities to achieve better socio-economic and cultural conditions compared to before the development activities. This is expected to lead to greater community independence with improved quality of life and well-being (Rastuti et al., 2018). Community development and empowerment efforts are intended to drive improvements in the economy, education, socio-culture, health, and environmental conditions of communities around mining areas, making them better and more self-reliant. These activities are directed at strengthening and enhancing contributions to the economy, whether in poverty alleviation, job creation, or in increasing economic value added to support high economic growth and sustainable development (Sumpeno, 2019).

Local communities need to be empowered and involved in decision-making related to mining to minimize negative impacts and ensure that the benefits of mining activities are fairly distributed. Mitigation measures, environmental protection, and good governance policies can help achieve a balance between the needs of the mining industry and the well-being of local communities. This awareness of the environmental impact led to the establishment of a program called CSR (Corporate Social Responsibility), which every company is required to implement. CSR is a concept where companies integrate

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social and environmental responsibilities into their operational activities and interactions with stakeholders (Tampubolon & Siregar, 2019).

The primary function of CSR is to ensure that companies focus not only on profitability but also on making a positive contribution to the surrounding community and environment (Capah et al., 2023; Zuhriadi et al., 2023). Sustainable CSR programs are expected to create a more prosperous and self-reliant community. Each activity will involve the continuous synergy of all parties, building and creating well-being, ultimately leading to the independence of the communities involved in the program. The impact of CSR on companies includes enhanced reputation and image, increased competitiveness, and the establishment of good relationships with consumers and other stakeholders (Oktina et al., 2020). For the community, the impact can be felt through programs in community development, education, health, and the environment (Capah et al., 2023). CSR plays a role in balancing economic growth with social well-being, creating a sustainable relationship between companies and the surrounding communities.

Mining industry organizations need to uphold their commitment to implementing corporate social responsibility (CSR). CSR implementation is regulated under Law No. 40 of 2007 Article 27, Paragraph 1 (Krismelina et al., 2022). However, in Indonesia, most CSR practices remain charitable and serve as efforts to build a positive company image rather than focusing on developing a sustainable economy in the areas around their operations. This is, in fact, a primitive form of CSR implementation (Pranoto & Yusuf, 2014). Companies, especially mining companies with negative impacts, should now focus on creating CSR programs based on sustainable development. The concept of CSR adopting sustainable development indicates that sustainable development aims to meet current needs without compromising the ability to protect the needs of future generations (Achmad W et al., 2021).

One of the precious metal mining companies in Indonesia is the Gold Mining Business Unit of PT Aneka Tambang Tbk (Antam) in Pongkor, West Java. This company has played a vital role in gold mining since 1988. Although gold reserves are depleting and the mine is scheduled to close in 2031, Antam is focusing on sustainability. Exploration continues to find new reserves, while post-mining reclamation efforts are directed towards transforming the former mine into an educational tourism area, including an underground mining museum (Kholisdinuka, 2022). However, it was reported in 2016 that the Pongkor gold mining unit was experiencing reserve depletion, nearing closure (Pamungkas, 2016). The importance of maintaining the economic wheel after mine closure should be a focus, ensuring that CSR programs remain sustainable as planned.

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Evaluation and monitoring of these programs need to be conducted to ensure their impact. CSR management can be improved by creating sustainability through community economic independence, rather than just social assistance. Transforming the mining site into an educational tourism area, such as a mining museum, could be an innovative and sustainable post-mining solution.

Based on the above description, the researcher aims to analyze the effectiveness of the programs that have been implemented and the challenges faced by CSR at PT Antam UBP Emas Pongkor. The analysis will also focus on aspects of sustainability and community independence, considering that many current CSR programs are more direct assistance such as social aid and funding, without providing significant sustainability or independence for the community. Therefore, the researcher is interested in conducting a study titled 'Optimization Strategy for Corporate Social Responsibility (CSR) Programs Based on Community Empowerment Towards Economic Independence Post-Mining by the Gold Mining Business Unit of PT Antam Tbk.

Objectives

Given the problem formulation provided, the objective of this study is to:

1. To investigate the optimization of PT Antam UBP Emas Pongkor's CSR program in promoting the economic self-sufficiency of the local community.
2. The objective is to examine the challenges encountered by PT Antam UBP Pongkor Gold and propose strategies to address them in the implementation of community empowerment-focused CSR initiatives.
3. The objective is to develop a plan to enhance the execution of PT Antam UBP Pongkor Gold's Corporate Social Responsibility (CSR) program.

DISCUSSION

Optimization of the implementation of PT Antam UBP Emas Pongkor's CSR program towards the economic independence of the local community

People

PT Antam is committed to providing education and training to the community, particularly to micro, small, and medium enterprises (MSMEs). This program aims to enhance the skills and knowledge of community members in running their businesses, thereby increasing productivity and efficiency. By actively involving the community in the decision-making process, PT Antam can better understand local needs and conditions,

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making the program more relevant and effective. However, despite PT Antam's commitment and efforts to implement CSR programs aligned with sustainable development goals (SDGs), challenges remain in achieving economic independence in the "people" aspect and fully attaining sustainability. The CSR program designed to create a sustainable economic cycle post-mine closure is not yet fully adequate. While the education and training programs aim to improve community skills, their implementation has not entirely fulfilled economic independence goals. Active involvement in decision-making can provide better insights, but if the training does not align with market needs or covers all essential aspects for MSME development, the results may be suboptimal. Additionally, lack of support in accessing capital, infrastructure, and ongoing evaluation can hinder community independence. CSR programs also need to ensure that efforts to create a sustainable economic cycle are effectively implemented. Despite initiatives to preserve natural resources and prevent illegal activities, economic sustainability after mine closure has not been fully guaranteed. A thorough evaluation of the CSR program and strategic adjustments are needed to ensure that the community can maintain economic sustainability in the long term, even after mining activities have ended.

Planet

PT Antam has implemented various initiatives to mitigate negative environmental impacts, such as reducing carbon emissions, improving waste management, and using natural resources more efficiently. These efforts aim to maintain ecosystem balance and prevent environmental damage. CSR programs often include reforestation activities designed to improve air and water quality, as well as provide habitats for wildlife. Besides benefiting the environment, these activities can also enhance the quality of life for local communities by creating green spaces for their enjoyment. PT Antam also focuses on increasing public awareness about the importance of environmental conservation. Through educational campaigns and participation in conservation activities, the community is expected to gain a better understanding and engage more actively in preserving their environment. By safeguarding the environment, these programs can positively impact the local economy. For instance, environmental conservation can boost agricultural and fisheries productivity, which in turn supports community economic independence. Despite efforts such as reforestation and carbon emission reduction helping to preserve the environment, the long-term impact of these programs on environmental sustainability has not yet been fully realized. Broader implementation and

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integration with other community empowerment programs are still needed. In particular, if environmental programs are not integrated with comprehensive community economic empowerment efforts, their impact on environmental independence may be limited. To achieve full sustainability, it is crucial for PT Antam to ensure that environmental programs are not only effective in the short term but also sustainable in the long term. Integration with community empowerment programs and regular evaluations are necessary to ensure that environmental conservation efforts continue to provide both economic and ecological benefits over time. Without optimal integration and execution, the sustainability of the positive impacts on both the environment and the local economy may be uncertain.

Profit

PT Antam's CSR program has included providing access to capital and infrastructure development to support community economic activities. These efforts involve assisting communities in obtaining loans and access to markets for their products, which can enhance income potential. Additionally, recognizing that mining activities will eventually end, PT Antam has sought to help communities diversify their economy by developing alternative sectors, such as educational tourism or local products. Although the CSR program supports access to capital and infrastructure development, economic independence for the community has not yet been fully achieved. The program needs to be more focused on providing training and ongoing support to ensure that communities can effectively manage and utilize the capital provided. Without proper management and sustainability in business development, capital and infrastructure support may not lead to the desired economic independence.

The optimization of CSR (Corporate Social Responsibility) programs conducted by PT Antam UBS Pongkor ideally should address three aspects of sustainability—people (the community), planet (the environment), and profit (the economy)—in a balanced manner, in line with the principles of sustainable CSR to achieve growth and independence. However, in practice, while the CSR program has been successfully optimized in terms of the "people" aspect, the other two aspects, "planet" and "profit," remain in development and have not yet reached the expected level of optimization.

Although PT Antam UBS Pongkor's CSR program focuses primarily on the "people" aspect, community independence has not yet been fully achieved. This raises concerns, particularly regarding the long-term growth and economic independence of the community. When mining operations come to an end, dependency on the company could

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lead to economic difficulties for the surrounding community, given the insufficient development of economic growth and independence.

Table 1 Optimization Program of PT Antam UBS Pongkor

No	Aspects	Elements of CSR Optimization		Independence	Description
		Growth	Sustainability		
	People	Yes	No	No	Not yet optimal
	Planet	Yes	No	No	Not yet optimal
	Profit	Yes	No	No	Not yet optimal

Challenges faced by PT Antam UBP Emas Pongkor and how to address them in implementing community empowerment-based CSR programs

PT Antam's Corporate Social Responsibility (CSR) program aims to enhance the well-being of surrounding communities through various initiatives encompassing the aspects of People, Planet, and Profit. However, there are several significant challenges that need to be addressed to achieve optimal CSR program outcomes and ensure sustainable positive impacts on the community. Key issues faced include:

Low Community Independence

One of the main challenges is the low level of community independence around PT Antam's operating areas. Although CSR programs are designed to improve economic welfare, the reality on the ground shows that communities are not yet fully economically independent. This is due to various factors, including the lack of adequate skills training, limited access to capital, and inadequate infrastructure. Existing CSR programs have not been able to fully encourage communities to achieve sustainable economic independence after mining activities end. To address this issue, a more holistic approach is needed, such as the provision of intensive training for micro, small and medium enterprises (MSMEs), as well as better access to capital and markets.

Lack of Sustainability-Based Programs

Sustainability is an important aspect of CSR that is often overlooked. The programs implemented by PT Antam tend to focus on short-term results without considering the long-term impacts after mine closure. Without programs specifically designed for sustainability, communities may face difficulties in maintaining their economic progress

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after mining activities cease. Therefore, it is important to design and implement sustainability-based programs that include economic diversification, development of new sectors, and environmental preservation.

Lack of Monitoring and Evaluation

Effective monitoring and evaluation is key to measuring the impact of CSR programs and making necessary adjustments. However, there is currently no effective monitoring and evaluation system in PT Antam's CSR programs. Without adequate evaluation, it is difficult to assess whether the programs are successfully achieving their intended goals and providing significant benefits to the community. To improve the effectiveness of CSR programs, a well-structured monitoring system should be implemented and regular evaluations conducted to assess the achievements and impact of each initiative.

Low Community Engagement

Community involvement in the planning and implementation of CSR programs is an important element to ensure that the programs are relevant and effective. Unfortunately, the level of community involvement in PT Antam's CSR programs is still low. Lack of community participation in the decision-making process can result in programs that are not in line with their needs and expectations. Therefore, it is important to actively involve the community in every stage of the CSR program, from planning to evaluation, to ensure that the programs implemented are truly in line with local needs.

Uneven Third-Party Collaboration

Collaboration with third parties, such as government agencies, non-governmental organizations, and other private sectors, can strengthen the effectiveness of CSR programs. However, current collaboration with third parties in PT Antam's CSR programs is uneven. This unevenness in collaboration can result in limitations in the resources, knowledge, and support available to communities. To increase the impact of CSR programs, it is necessary to build stronger and more coordinated partnerships with various relevant parties.

Low Public Awareness

Public awareness of the importance of CSR programs and environmental conservation efforts is still low. Communities need to understand the benefits of CSR

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programs and participate in environmental conservation activities to achieve better results. Effective educational programs are needed to raise public awareness about the importance of protecting the environment and how they can contribute. This increased awareness will not only help protect the environment but also support economic independence by increasing community participation in sustainable economic activities.

Strategies to enhance the optimization of PT Antam UBP Emas Pongkor's CSR program implementation

To enhance the optimization of PT Antam UBP Emas Pongkor's CSR program implementation, a holistic strategy focusing on three main aspects—People, Planet, and Profit—is essential. Here are the strategies that can be applied to improve the effectiveness and impact of the CSR programs:

Table 2 Strategies for Improving the Optimization of PT Antam UBP Pongkor's CSR Program

No	Obstacles	Optimization Strategy	Target Aspect	Activity Example
1	Low Community Independence	Empowerment Program Development	People Planet Profit	Skills workshop, business mentorship, financial assistance, online marketing platform
2	No Sustainability-based Program	Continuous Improvement of Mentoring	People Planet Profit	Mentoring, technical guidance, sustainable business models, environmental rehabilitation, health programs
3	Lack of Effective Monitoring and Evaluation	Building a Comprehensive Monitoring and Evaluation System	People Planet Profit	Community satisfaction surveys, focus group discussions, field observations, community self-reporting
4	Low Community Involvement	Encouraging Active Community Participation	People Planet Profit	Reward programs, incentives, socialization, awareness campaigns
5	Uneven Third-Party Collaboration	Collaborate with Related Organizations and Experts	Planet Profit	Partnership with government and environmental NGOs, cooperation with universities, green technology projects

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6	Low Public Awareness	Increasing Community Awareness on Sustainability	People Planet Profit	Education, campaigns, training

Source: Data Processed by Researchers, 2024

CONCLUSION

To enhance the effectiveness of PT Antam's CSR program, it is essential to adhere to the triple bottom line principles: People, Planet, and Profit. The strategies should focus on skill training for the community in agriculture, livestock, and MSMEs, and on building partnerships with government and community organizations. Despite efforts to manage environmental impact and improve well-being, the current CSR program is not optimal and requires improvements in post-mining management and equitable economic benefits. PT Antam UBP Emas Pongkor faces challenges in its CSR program, such as community dependence on the company, changes in funding, and resource limitations. Although the company and local government address complaints and seek solutions, some issues cannot be immediately resolved due to resource constraints. To improve the CSR program, PT Antam should:

1. Establish better communication channels between companies and communities. This can be done through discussion forums, regular meetings, or digital platforms to listen directly to community input and needs
2. Develop programs that focus more on improving community economic independence, such as entrepreneurship training and access to capital. This will help communities not to depend on the company after mining operations end
3. Develop more diversified CSR programs to cover various aspects of community life, such as education, health, and the environment. This diversification will ensure that all community needs are met holistically
4. Integrate programs that focus on environmental awareness and sustainability in CSR programs. This may include educational campaigns on the importance of environmental preservation and sustainable agricultural practices.

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