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**PROCEEDING INTERNATIONAL CONFERENCE ON  
MULTIDISCIPLINARY RESEARCH  
“Improving Human Resources Quality Through Research and  
Development in the Era of AFTA”,  
SERAMBI MEKKAH UNIVERSITY**

Keynote Speakers : 1. Assoc. Prof. Dr. Nurahimah Mohd. Yusoff  
University Utara Malaysia  
2. Mr. Mucayit Auci  
Turkey  
3. Drs. Ridwan Ibrahim, M. Pd.  
Provincial Program Coordinator  
USAID PRIORITAS  
4. Prof. Dr. H. Djamaluddin Idris, M. Ed  
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*Banda Aceh, Indonesia  
July, 30<sup>th</sup> 2015*

## Welcome Message From Rector

In the name of Serambi Mekkah University, I would like to welcoming for you all, especially for our guest, keynote speakers, presenters, and all participants. We are so glad you are all to be here in Serambi Mekkah University in International Conference.

This international conference is taken place on campus of Serambi Mekkah University Banda Aceh city, Aceh Province. The title of the international conference is "Improving Human Resource Quality Through Research and Development in the Area of AFTA", Banda Aceh, July 29-30, 2015.

This international conference would also follow by more than 40 presenters that they would take place to present various of field study. There are four major field of study would be discussed in this conference that are: Sciences and Engineering, Natural Sciences, Applied Social Sciences and Social and Educational.

With this international conference, we do hope it will give benefit and a prospective for future science development especially Serambi Mekkah University future academic development, and also we do hope this event is not only a single event but it will have another international events which will be held with broad perspective of new field studies.

On behalf of Serambi Mekkah University, I would like to express my sincere thanks and wishes to organizers and participants of conference and I hope that we can learn much and sharing our knowledge and also develop our skill quality through this event.

Thank you for joining us to this event. I hope all of participants will take opportunity to enjoy this conference and have sweet memories in joining with this conference.

Banda Aceh, July, 29th, 2015  
Rector, Serambi Mekkah University

Dr. H. Abdul Gani Asyik, MA

## Welcome from Organizing Committee

It is a great pleasure to welcome delegations of Serambi Mekkah University of International Conference 2015. The international conference is a part of Serambi Mekkah University calendar. This international conference take place on campus of Serambi Mekkah University, Banda Aceh city.

There are more than 40 articles in four parallel sessions, four articles will be read by keynote speakers. Four parallel sessions are sciences and engineering, natural sciences, (applied) social science and educational perspective. Invited speakers are Prof. Dr. Nurahimah Mohd. Yusoff from Universiy Utara malaysia, Mr. Mucaiyit Auci, from Turkey, from Provincial Program Coordinator USAID PRIORITAS, Drs. Ridwan Ibrahim, M. Pd., Prof. Dr. H. Djamaluddin Idris, M. Ed. Kopertis Coordinator Region XIII Banda Aceh.

The topic of this internationa conference is "Improving Human Resources Quality Through Research and Development in the Era of AFTA 2015", held by Serambi Mekkah University Banda Aceh.

I would like to thanks to all of committee members for the hard work, time and effort in organizing this conference. Also, I would like to thanks to all of our partners for their generous support and contribution in great long-term cooperation and find the solutions for long term cooperation.

Banda Aceh, July 2015  
Head of Committee

Musriadi, S. Pd., M.Pd

**CSR ENVIRONMENTAL CONSERVATION:  
AN ALTERNATIVE FUTURE FOR INDONESIA DEVELOPMENT**

**Ramziati**

Malikul Shaleh University

**ABSTRACT**

*CSR issues of environmental conservation have become an important discussion all over the world today. Environmental damage caused by the construction activity factor is a major factor in Indonesia, besides natural factors today. A good and healthy environment is the right of every citizen guaranteed by the state, so that everyone, both individuals and business institutions are responsible for preserving the environment. The responsibility has been set in the legislation in Indonesia, but its application is not easy because of various constraints.*

*The focus of this paper emphasize CSR setting environmental preservation and the main obstacle in the implementation of legislation, especially environmental damage caused by the business activity in Indonesia. Each country in the ASEAN region has different circumstances and challenges, but many of them have nearly similar conditions to the situation in Indonesia. In the spirit of running the ASEAN economies, the authors believe that sharing knowledge and experience of environmental protection will allow comparative references between ASEAN countries in order to address the issue of environmental degradation through comprehensive regulations and well practice.*

*It was found that the constraints are the external company; meanwhile a major barrier to the implementation of responsibility of environmental protection in Indonesia is uncertainty. Writers suggest that businesses have to understand the benefits of social investment and CSR incorporate into their business strategies. Correcting legislation is absolutely necessary. The rule of responsive and anticipative law is the answer to the challenge of human rights guarantees of every citizen to earn a good and healthy living environment.*

**Keywords:** *CSR, Conservation, Environment, Legislation, Indonesia.*

**Introduction**

Preservation of the environment is a major challenge faced by the world today. CSR concept which is based on triple bottom line is a concept that offers a solution for sustainable development. This concept grew significantly over the last few decades[1]. The introduction of the obligation for businesses to implement the business goals should be aligned with the goals and values of society, which is begun by a definition according to Howard R.Bowen (1953) that "it Refers to the obligations of businessmen to pursue Reviews those policies, to make-Reviews those decisions, or to follow Reviews those lines of action roommates are desirable in terms of the objectives and values of our society"[2].

Nowadays, the obligations of business man not only looking for profit but also paying attention to the community, and the environment (3P: *Profit, Planet, People*) if they want their business to be sustainable. Because businesses can not only pursue profits itself, but they also must be involved in the fulfillment of social welfare and actively maintain the world's attention to the larger CSR after *the World Summit* in Johannesburg in 2002 which emphasized the importance of social responsibility.[3] A business of governance obligations refers to pursuance of laws and regulations, for the businesses need to follow

the rules, act responsibly, and give more attention to business ethics and integrity (Rees, 2006).[4].

CSR basically has various definitions; this depends on the vision and the company, which is agreed to the *needs, wants and interests* of the community [5]. In addition, the concept of CSR is also an underlying principle for sustainable development for business institutions, as well as for *stakeholders* comprehensively. This case is reflected in the various CSR formulas, one of them is *The World Business Council for Sustainable Development (WBCSD)* which states that: *CSR is "continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society large"*

The meaning of juridical environmental preservation is a systematic and integrated effort which is being made to preserve the environment and prevent pollution and / or damage to the environment that includes the planning, utilization, control, maintenance, supervision, and enforcement of law [6]. From the above description , the CSR environment is an underlying concept of sustainable development for the company and *stakeholders* as a whole, as well as an integrated systematic efforts that are being made to preserve the function of the environment in order to guarantee human rights to earn a good and healthy living environment In Indonesia, a good living environment is the rights and the Constitution for every citizen guaranteed by the state as stated in section 28 of the letter H UUD 1945, and a general explanation of number 1 UUPLH. Thus, the government and all *stakeholders* have to implement the protection and management of the environment, so that the various natural resources contained is maintained [7].

#### **CSR Environmental Conservation: The Importance for Being Sustainable Environment**

In the last two decades, the destruction of natural resources and environmental pollution in Indonesia is increasing. Two decades ago the rate of the damage forests in Indonesia in Tengarai is about 1 to 1.2 million per year, now it has reached 2 million hectares per year. The decay chain spread and extends to the rivers, lakes, lowland forests, beaches and sea shore [8]. While the ecological crisis is no longer a future possibility, but the contemporary reality that exceeds the limits of tolerance and environmental adaptability[9].

The pattern of development policy only aims to meet short-term demands, without considering the significant environmental impact caused. It has the potential long-term threat which is not favorable for human life, and living beings in general. Such as environmental damage which is caused by the negative impact of human action, in other words, the negative impact of development activities [10]. In order to address these issues, the role of the state in ensuring the right of every citizen to earn a good living environment and healthy is very important. The role is embodied in the Law of the Republic of Indonesia No. 32 of 2009 on Protection and Environmental Management, which includes planning, utilization, control, maintenance, supervision, and enforcement of law. The Government (Ministry of Environment, the Governor, or the Regent/Mayor) is responsible to supervise the observance of businesses on environmental protection and its management.

Environmental issues nowadays become more complex; its solution does not only involve one or two aspects and disciplines of knowledge. Therefore, saving the environment requires cooperation among the components of society, and the rule of law which has certainty. And environmental management is not possible without legal arrangements [11]. The main purpose of this paper is to provide a brief overview of the barriers faced by businesses in implementing CSR. In this paper the uncertainty of the legislation is a major obstacle, particularly in relation to CSR environmental preservation.

#### **CSR Legislation of Environmental Conservation in Indonesia.**

Indonesia is a state of law. The law is placed as the basis of state power, and then the power in all its forms is run under the rule of law [12,13]. So any activity related to the enforcement of laws of environmental protection, should be implemented based on law. Similarly, if the environmental damage is caused by the negative impact of the business activities of the company, the protection of environmental life and other efforts shall be undertaken to follow the rules of applicable law.

Because a good and healthy environment is the right of every citizen guaranteed by the state, so in order to keep the preservation of a good and healthy environment, every people should maintain the preservation of the environment as stipulated in Law no. 32 of 2009 about the Protection and Preservation of the Environment (UUPPLH), in section 67 states that Everyone is obliged to preserve the function of the environment and control pollution and / or damage to the environment. Besides the rules for individuals, in UU, It also stipulates responsibility for the businesses that are required to preserve the environment. It has been stipulated in section 68 of the numbers b that: Every people doing business and / or activity is obliged to maintain the sustainability of the environment.

Obligations for businesses related to the environment, have also been regulated in UU no. 40 of 2007 regarding Limited Liability Company (UUPT). In section 74 paragraph (1) that: the Company conducting its business activities in its field and / or related to the natural resources is required to implement the Social and Environmental Responsibility. In this paper, it is called "CSR". Explanation of the provisions of section 74 paragraph (1) states that the reference to "the Company that runs its business activities in the field of natural resources" is a company whose business is to manage and exploit natural resources. Whereas in section 1 number 3 UUPT states that : Social and Environmental Responsibility is the commitment of the Company to participate in the sustainable economic development to improve the quality of life and the benefit of environment for the Company's itself, local community, and society. Based on the rule of law above, it shows a view of the duality of CSR practice, these differences lead to conflict of norm (*geschied van normen*), while the issue of such legislation is based on the discrepancies in the vertical conflict regulations, where there is a conflict between lower rules and higher regulations.

Thus, it impacts on uncertainty of law in responsibility of the protection and preservation of the environment. Soedikno Mertokusumo [14,15] states that principally; one of the requirements that must be met in law enforcement in the community is the existence of legal certainty. Legal certainty which is intended in this case is the assurance of legal rules contained in it and are not contained the norm obscurity, emptiness norm,

and the conflict of norm, in order to provide certainty for the community in implementing the rule of law prevail [15, 16].

Legal certainty is expected so that the legal rules made are able to bring change in society. However, under conditions that, it has a form of the legal uncertainty which has been described above, this situation surely will not work to guide, provide guidelines for sanctions, guidelines, and tools to manipulate social and economic life, and will not make a difference to society itself. Related to this, Jay A. Singler said that most laws only carry very little influence on societal changes caused by the vagueness of the law itself [17]. The occurrence of dualism related to the implementation of CSR concepts set forth in UUPT, will result in the difficulty of implementation of CSR programs stipulated in the UUPT.

In order to make CSR dualism problems that cause uncertainty of the law in UUPT doesn't continue, the authors recommend a change to the number 3 in section 1 of UUPT to be: section 1 paragraph 3 states that: Social and Environmental Responsibility Company is obliged to participate in the sustainable economic development to improve the quality of life and the benefit of environment for the Company's itself, local community, and society.

Furthermore, the regulatory issue is not over, even though in 2012 the government has approved to implement CSR legislation, namely Government Regulation (PP) No.74 Year 2012 about Social Responsibility and environment of Company Limited (TSL / CSR). The rule of law on CSR in the PP according to the author is not sufficiently binding on businesses as an instrument driving the implementation of CSR in the company's work program. This is due to CSR undertaken by the directors after obtaining the approval of the board of commissioners. As it is stated in section 4 (1) social and environmental responsibility implemented by the Directors based on the annual work plans of the Company after it's approved by the Board of Commissioners or RUPS in accordance with the basic calculation of the Company, unless it's provided the other thing in the legislation. Thus, that rule of law gives a chance to open a gap for the parties to avoid running the CSR, if they are not sufficiently understand the importance of CSR programs for them, so that they regard CSR as a burden rather than an investment for the future of their businesses.

In addition, the implementation of CSR then was published in the annual report of the company and accounted to the RUPS. As defined in section 6, the Implementation of social and environmental responsibility is contained in the Company's annual report and accounted to the RUPS. It is also a form of attenuation of a mandatory responsibility, as an obligation for businesses implementing CSR. In fact, the accountability of the CSR to the RUPS means as a form to a highly subjective assessment. Thus, the consistency of the rule of law would be a major element of an important consideration. In addition, mutual support among laws also would be important factor in the preparation of a legislation, so that legal certainty in Indonesia could be seen, especially the legal certainty regarding CSR environmental protection. The obligation is an important part for businesses in running its business activities.

Obligation of businesses is must and able to complement, but not to replace the obligation of the country [16], and the function of the State in the implementation and monitoring will be reflected through the presence of various rules and regulations [17].



rules and regulations serve to guide, protect, provide guidelines for sanctions, and give tools for manipulate social and economic life. It is as a means to achieve economic development goals, namely prosperous society. According to Satjipto Rahardjo, the law serves as protection for the benefit of human beings, and then the law should be implemented [18]. Thus, in order to make the law to work, the rule of law must be based on justice, equity and sustainability.

#### CLOSING

CSR environment is an underlying concept of sustainable development for the company and *stakeholders* as a whole, as well as an integrated systematic effort that is being made to preserve the function of the environment in order to guarantee human rights to earn a good and healthy living environment. However, the attitude of distinctive support between UULH and UUPT become an obstacle for the company to conduct environmental preservation. The existence of dualism patterns of CSR in UUPT that creates the legal uncertainty is a major constraint in implementing CSR protection of life in Indonesia. The presence of the rule of responsive law today in society is expected immediately. Writers Suggests that the legislation need to be fixed, so that these laws can respond the existing problems in society. It is also important to have anticipatory legal rules.

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