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COMPARATIVE STUDY OF ACCEPTANCE BETWEEN LOCAL COMMUNITIES AND TRANSMIGRANTS ON THE EXISTENCE OF PT XYZ IN TENGGARONG SEBERANG, KUTAI KARTANEGARA

Giwa Giwangkara[1*], Budi Santosa[2]
Faculty of Economics and Business, Universitas Trisakti Jakarta, Indonesia
ggiwangkara001@gmail.com, busan_228@yahoo.com

ABSTRACT

Social License to Operate (SLO) or is a measure that describes the quality of relationships between stakeholders, especially the community and the company. This SLO is the final result or resultant of a series of previous activities including: issue identification, stakeholder identification, stakeholder mapping, stakeholder involvement and implementation of Community Development and Empowerment or PPM programs. This research aims to: 1) what is the pattern of stakeholder engagement carried out by the company, 2) what is the pattern of implementation of the PPM program carried out by the company, 3) what is the comparison of SLO values between local communities and immigrants/transmigrants, 4) what strategy should the company carry out regarding stakeholders engagement refers to the SLO value and 5) how the company contributes to achieving the SDGs. The research location was in four PT XYZ ring 1 villages in Tenggarong Seberang District, Kutai Kartanegara Regency, namely Embalut Village, Separi Village, Bangunrejo Village and Kertabuana Village. The results of the research show that the SLO value of local residents' villages during the operational period was higher than the SLO value of transmigrant villages, namely 3.77 versus 3.46. Meanwhile, during the mine closure period, the SLO value of local villages was much lower than that of trans villages, namely 2.63 compared to 3.19. Referring to these results, the researchers recommend that companies carry out better stakeholder mapping and involvement so that community acceptance, especially local communities, of the company becomes better. This is very important so that when the company wants to do new business other than coal after the mine closure process is accepted by the government it can run smoothly without any significant social risks arising.

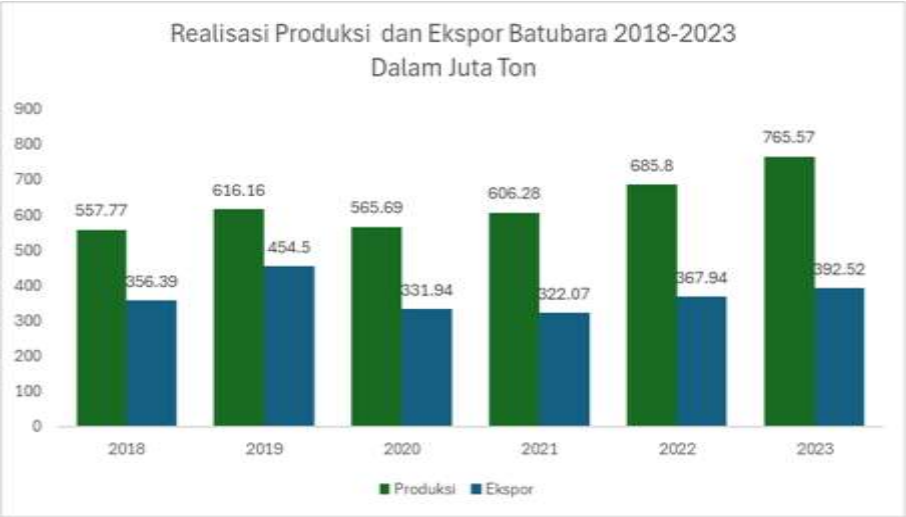
Keywords: *Social License to Operate, Stakeholder Mapping, Stakeholder Engagement*

INTRODUCTION

Coal mining has been present in Indonesia since the Dutch colonial era, precisely in the mid-19th century. Marked by the opening of the Ombilin coal mine in West Sumatra. Since the opening of the Ombilin coal mine, Indonesia cannot be separated from energy needs derived from coal. The energy road map of PLN-BUMN electricity providers-energy mix in Indonesia is currently (in 2018) still dominated by coal, which is around 50 percent. Even until 2050, the portion of coal is still relatively dominant compared to other energy sources, which is around 20-25 percent. This is because coal is an energy source that is economically cheap and technologically cheap to obtain.

Until 2023, there are 984 coal companies in Indonesia, consisting of 60 registered as holders of Coal Mining Concession Work Agreements (PKP2B) and 924 coal Mining Business License (IUP) holders (Minerba One Data Indonesia (MODI), 2023). Data from the Ministry of Energy and Mineral Resources related to the amount of coal production, from 2018 to 2023, tends to increase. The figure below shows the amount of Indonesia's coal production from 2018-2023. Where in 2023, Indonesia's total coal production will reach 765 million tons, an increase of around 37.25 percent from 2018.

Table 1. Realization of Indonesian Coal Production and Export 2018-2023



Source: Director General of Minerba, 2023

Coal mining makes a relatively significant contribution to state revenue. Based on MODI 2022 data, the realization of revenue from the mineral and coal mining sector touched IDR 127.90 trillion, of which around 70-80 percent was contributed by the coal mining sector. In addition, the coal industry also has a major contribution in economic terms to the local area that produces it. Coal sources and production in Indonesia are spread across four provinces, namely East Kalimantan, South Sumatra, South Kalimantan, and Central Kalimantan. In East Kalimantan alone, for example, the coal industry accounted for about 35 percent of the province's GDP in 2017 (IESR, 2019).

Although considered to have a positive contribution, the coal industry is also known to have various negative impacts. Problems that often arise in the world of mining, especially coal mining, are related to environmental and social impacts. Where in coal mining which is generally carried out by open pit mining, it will have an impact on landscape changes. For example, the change of forest land into mining areas as well as rice fields and settlements. It depends on where the mining company's concession is located. According to Hesperian in Fachlevi, Putri & Simanjuntak (2015), coal mining activities cause environmental damage because they carry out extensive land clearing activities, dig deep holes and move large amounts of soil. In addition, it can also cause communities around the mine to be exposed to health problems in the form of respiratory problems due to dust. Which in the end will have an impact on the socio-economic life of the community around the mine.

On the other hand, companies are required to create sustainable value for stakeholders by providing quality products and services. Fulfillment of the mining company's strategy within the framework of sustainable development as the foundation for all initiatives and business activities of the company. Good mining practices are one of the efforts in coal mining companies to fulfill sustainable principles. In addition, coal mining companies also need to maintain trust and good acceptance from various stakeholders, especially the surrounding community. The mining industry as a natural resource extraction industry is a disruptive and inherently conflictual business. The quality of relations between local communities around the project and the mining company is an important factor that can determine peaceful cohabitation

or violent confrontation during the implementation of the mining project. For mining companies, local community disagreements can lead to significant financial losses due to business disruption in extractive production (Nelsen. 2016; Brugger, 2020).

The acceptance of stakeholders, especially the community, to the existence of a company over the past decade is assessed using a concept called Social License to Operate (Meesters et. al, 2020). SLO focuses on assessing how companies manage relationships with the community in hopes of generating support. According to Meesters (2020), two decades after Jim Cooney coined the term Social License to Operate (SLO) to describe local risk management, SLO has become a leading concept used in corporate and academic discourse (Cooney, 2017). The SLO concept reflects the increasing recognition of the importance of community support for business operations, especially extractive companies. Today, with the wide application of SLO by many companies around the world, SLO has become the object of multistudy and theoretical analysis. A collection of literature has been developed that supports the vital role of SLO in extractive projects (Boutilier & Thomson, 2011). From limited studies on this topic, SLOs have been described as intangible and unwritten (Franks et al., 2013) (Moffat & Zhang, 2014), and it's hard to measure it (Parsons dan Lacey, 2012) (Owen & Kemp, 2013). SLOs have also been represented as a set of meaningful relationships between operational stakeholders based on mutual trust (Warhurst, 2001), and as a set of demands and expectations about how a business will operate by local stakeholders and wider civil society (Gunningham et al., 2004) (Howard, 1998) (Lassonde, 2003). Most studies on social licensing are descriptive and attempt to provide companies with guidance for obtaining social licenses. For example, strategies such as continuous communication with affected operational stakeholders, transparent disclosure of information to host communities, and strengthening community development agreements have been recommended as practical ways to obtain social permits with local communities (Dresse et al., 2021) ;Wilburn and Wilburn, 2011). In their influential theoretical work on social permits to operate construction, Thomson and (Boutilier & Thomson, 2011) (Joyce & Thomson, 2000) The cumulative pyramid model of social license identifies three main components: legitimacy, credibility and trust. They suggest that as a mining operation develops legitimacy and then credibility with its local stakeholders, acceptance and then approval of the operation will follow. As this relationship develops into full trust, local communities are expected to begin to identify together with mining companies and actively support their interests. However, the authors' own attempts to empirically validate this hypothesized cumulative relationship have been unsuccessful to date (Boutilier & Thomson, 2011). The development of research on SLO in other countries focuses on extractive companies in general, but not many have researched coal-specific companies. In addition, several studies indicate that it is necessary to expand the scope of the SLO concept to include the diversity of local and non-local stakeholders (Meesters, 2020)

Therefore, through this research, students want to see the level of community acceptance within the framework of social licensing operations or social licenses to operate on the existence of coal mining companies on the socio-economic life of the community around the company, especially in companies that will face or are in the process of closing mines. This study also identified a comparison of acceptability or license to operate between local and non-local communities. In addition, this study will see how the pattern of stakeholder engagement

or involvement of stakeholders that has been mapped and how the pattern of risk management is mitigated through the PPM (Community Development and Empowerment) program.

The research location will be taken in Kutai Kartanegara district, East Kalimantan Province. This is done considering that the number of coal mining companies in Kutai Kartangera Regency is relatively large, which is around 434 IUP companies (APBI 2020). At the same time, the location of the company to be studied is in Kutai Kartanegara Regency. The scope of this study is to compare the acceptability of local villagers and transmigrant villages to mining companies that are the object of research. The pattern of stakeholder engament carried out by the company will also be studied. This is done so that companies studied with conditions facing mine closure can better prepare their mine closure process properly. And can prepare a good stakeholder engagement strategy to support the sustainability process of the livelihoods of the communities around the mine in socio-economic aspects and the sustainability of the company's business. Where if the company is assessed/perceived by the community around the company to have a positive impact that is more than the negative impact, it is expected that the company will be relatively easy to continue other activities or businesses other than coal mining in the same location. In other words, the company is expected to get social license to operate to support the sustainability of the company's business. Also, this study can be useful for local governments in supervising relatively many mining companies in Kutai Kartanegara district, especially when carrying out mine closure activities.

METHOD

This study aims to analyze the acceptance of local communities and transmigaran towards the existence of one of the coal mining companies located in Tenggarong Seberang District, Kutai Kartanegara Regency. The approach used in this study uses a deductive approach with qualitative methods. The deductive approach is carried out by reducing theories related to the focus of research drawn into research variables. The deductive approach is carried out by studying technical literature, namely literature that provides the background of a material that compares findings from actual data obtained and has specific functions, such as providing theories and framework concepts that can be used as guidelines (Diartika & Pramono, 2021) (Saenz, 2021) (Mulyana, 2021). The qualitative method used in this research is a case study. A case study is one of the research strategies where researchers investigate an event, phenomenon, program, process or group of individuals using various data collection procedures based on a predetermined time (Diartika, 2021).

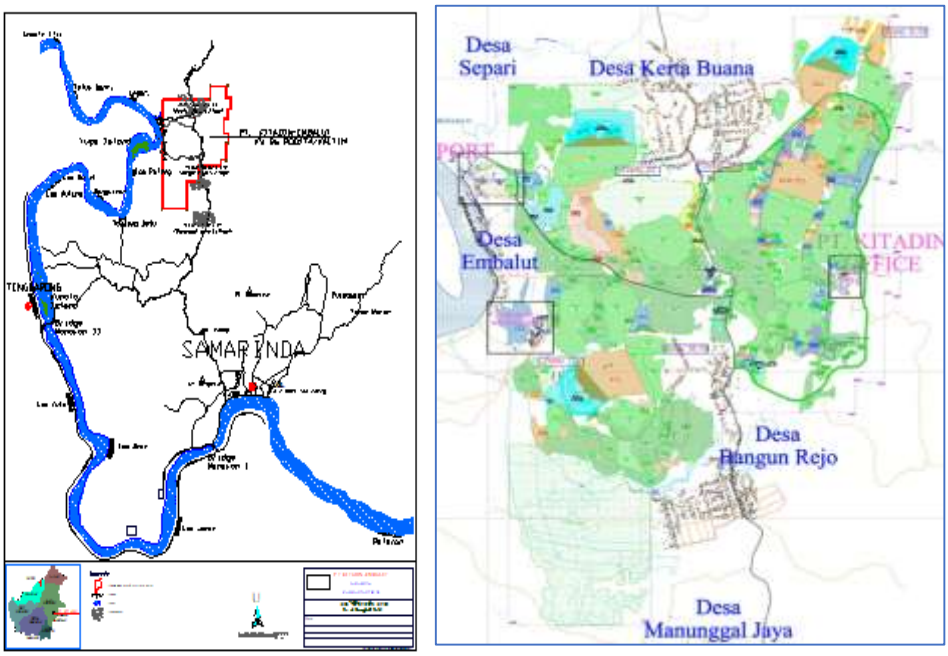
The data collection method is carried out using primary data and secondary data. Primary data is obtained from interviews or interviews with respondents selected based on certain criteria. The semi-structured interview method was chosen because this study aims to explore information in depth through open-ended questions intended to find problems more openly. Where the interviewee will be asked for their opinions and ideas (Sugiyono in Firda Diartika 2021). Finally, the opinions of respondents will be scaled according to the SLO calculation developed by (Boutilier, 2017). The selection of respondents used the purposive sampling method. This method is used by first determining informants / respondents who are considered competent to answer interview questions in depth. The respondents who were the target sources of information included village heads, community leaders who were considered to know about the history of the village, youth organization leaders, PKK mothers, village

secretaries, BUMDES administrators and recipients of the same CSR program from the company for the two community groups. The number of respondents selected amounted to 45 people consisting of Separi Village four respondents, Embalut Village 16 respondents, Bangunrejo Village 14 people and Kertabuana Village 14 people. For secondary data, information sources will be obtained from village, sub-district and district report books in numbers and CSR programs from companies. In addition, if deemed necessary, secondary data will also be observed from newspaper information published in East Kalimantan with the information observed is related to the pattern of company relations with stakeholders.

This research was conducted at one of the coal mining companies, PT XYZ, located in Embalut village, Tenggarong Seberang District, Kutai Kartanegara Regency. PT XYZ was chosen because it is one of the coal mining companies that has concessions in locally populated villages and transmigrant villages. There are two locally populated villages, namely Embalut Village and Separi Mahakam Village. While there are two transmigrant villages, namely Kertabuana Village and Bangunrejo Village. In addition, PT XYZ is in the process of mine closure, so information related to acceptance is very necessary for PT XYZ to be able to continue its new business in the future.

RESULTS AND DISCUSSION

PT XYZ is located in Tenggarong Sebarang sub-district, precisely in Embalut Village, Kutai Kartanegara Regency. The distance of PT XYZ from the capital of East Kalimantan Province, Samarinda is about 1 hour by land or approximately 30 kilometers and is about 25 kilometers from the capital of Kutai Kartanegara Regency, Tenggarong. Geographically, PT XYZ's Mining Power area is located between 00 18' 00.0" South Latitude – 00 22' 30.0" South Latitude and 1170 5' 00.0" East Longitude – 1170 7' 49.9" East Longitude. Where in terms of land status, PT XYZ's concession is in a non-forestry area. The picture below shows the location of PT XYZ.



Source: PT XYZ 2020

PT XYZ's concession borders four villages, namely Embalut Village to the west, Separi Mahakam Village to the North, Kertabuana Village to the North-East and Bangunrejo Village to the South. Of the four villages, there are villages with the status of transmigrant villages, namely Bangunrejo Village and Kertabuana Village while the other two villages are located in Kutai aseli. Bangunrejo Village has a majority of Javanese population while Kertabuana Village has Bali, Lombok and Javanese populations. The transmigrants from Java, Bali and Lombok inhabited the two villages from the 80s to the early 90s through the national transmigration program.

Since the coal boom in the early 2000s in Tenggarong Seberang District and including in the four villages, many coal mining companies have sprung up. So that some village areas in Tenggarong Seberang District and including in four villages around PT XYZ changed their functions from rice fields and fields to coal mining areas. PT XYZ has been operating since 30 years ago and in early 2022, it has entered the mine closure period. Where the mine closure period is the final period of a coal mining process. During the mine closure period, the company has not carried out mining operations and only fulfilled obligations according to the mine closure plan (RPT) document approved by the regional transferor. The head of PT XYZ in the field or known as the Head of Mining Engineering (KTT) during the mine closure period has two main obligations, namely:

1. Ensure that the mine closure process is in accordance with the mine closure document (PRT) plan. This is so that all success criteria stated in the RPT document can be accepted by the government, both regional and central;
2. Ensure that the company's assets are well maintained. This is because PT XYZ's concession is not in the forestry concession area so that assets in the form of land that have been purchased (freed) by the company become the company's property or assets.

A. Village conditions around the company

Previously, PT XYZ's operational area is directly adjacent to four villages, namely Kertabuana Village, Bangunrejo Village, Embalut Village and Separi Mahakam Village. In the early 80s, Tenggarong Seberang District was the location of the national Transmigration program. Where many transmigrants come from Java, Bali and Lombok. They were given a yard of 2500 m2 and a rice field of 2 hectares. Based on historical records, the location of Tenggarong Seberang District is indeed planned to be a rice granary in East Kalimantan province.

PT XYZ is one of the earliest companies operating in Tenggarong Seberang District, namely since the 80s. PT XYZ's mining system was originally mining with a deep mining system. That is the mining system by mining underground through tunnels made in such a way that it can produce coal and transport it with a trolley system to the surface. During the operation of the deep mine, PT XYZ absorbed a lot of labor from around the four villages. So, in addition to farmers' livelihoods, villagers also become workers at PT XYZ. Along with the increase in coal demand both from within and outside the country, in Tenggarong Seberang District, many coal mining companies have sprung up. Where in general, these companies, including PT XYZ, carry out open mining systems. This means that mining is carried out without going through underground tunnels but is carried out by conducting open excavation of soil which begins with land clearing. Thus, many rice fields and community plantations around PT XYZ were purchased by the company to be used as coal mines. A

common impact of open-pit mining is the emergence of environmental risks, such as dust pollution, noise pollution and flooding. But the positive impact also occurs, namely, the occurrence of land acquisition at high prices, the opening of labor opportunities and the development of the economy of the village area around the company, especially in villages populated by transmigrants. This is because the transmigrant population is relatively easier to adapt to the economic opportunities posed by PT XYZ and other companies. The large number of coal mining companies in Tenggarong Seberang District makes Tenggarong Seberang an economically developed and attractive sub-district for migrants. So that makes Tenggarong Seberang District the second district with the highest population in Kutai Kartanegara Regency. Figure The table below shows the population per sub-district in Kutai Kartanegara Regency.

Kecamatan	Jumlah Penduduk Laki-Laki	Jumlah Penduduk Perempuan	Jumlah Penduduk Total	Rasio Jenis Kelamin Penduduk
SAMBOJA	34,901	31,716	66,617	110.0
MUARA JAWA	21,674	19,887	41,561	109.0
SANGA-SANGA	10,069	9,659	19,728	104.2
LOA JANAN	35,119	32,352	67,471	108.6
LOA KULU	26,814	24,825	51,639	108.0
MUARA MUNTAI	10,066	9,330	19,396	107.9
MUARA WIS	4,998	4,400	9,398	113.6
KOTA BANGUN	18,947	17,708	36,655	107.0
TENGGARONG	54,461	52,019	106,480	104.7
SEBULU	21,833	19,092	40,925	114.4
TENGGARONG SEBERANG	35,152	32,725	67,877	107.4
ANGGANA	17,396	16,020	33,416	108.6
MUARA BADAK	24,371	22,285	46,656	109.4
MARANG KAYU	13,994	12,829	26,823	109.1
MUARA KAMAN	24,936	20,949	45,885	119.0
KENOHAN	6,160	5,428	11,588	113.5
KEMBANG JANGGUT	13,631	12,179	25,810	111.9
TABANG	6,038	5,419	11,457	111.4
KUTAI KARTANEGARA	**380,560**	**348,822**	**729,382**	**109.1**

Figure 1. Number of Population and Sex Ratio by District

The atmosphere of Bangunrejo Village-one of the transmigrant villages around PT XYZ. Relatively developed economically and socially. It can be seen that modern shops have appeared and also the bustle of residents around it.

The atmosphere of Separi Mahakan Village-one of the local supporting villages. There is relatively little development in terms of economy. Not as crowded as Bangunrejo Village.

The results of this study are related to the level of acceptance between transmigrant villages and local populated villages towards the existence of PT XYZ. This will be relatively necessary for PT XYZ if the company will invest in other forms after the mine closure process is accepted by the government.

B. Implementation Pattern of PT XYZ's PPM (Community Development and Empowerment) Program

The term Community Development and Empowerment Program or abbreviated as PPM is a term used by the Director General of Mineral and Coal for the community development agenda. Through the Minister of Energy and Mineral Resources no.25 of 2018, concerning Mineral and Coal Mining Business, mining permit holders are required to make a PPM Master Plan and implement PPM in accordance with the Blue Print issued by the Province. This is stated in Chapter XII article 38 paragraphs one to eight in the Minister of Energy and Mineral Resources no. 25 of 2018. Furthermore, the pattern of PPM implementation is also determined by the government through the ESDM Decree 1824 concerning Guidelines for Community Implementation and Development. Where in the 1824 Decree the PPM program within the scope of the Director General of Mineral and Coal is divided into eight pillars, namely; (1) Education Pillar; (2) Health Pillar; (3) The pillar of real income or economic activity according to the profession owned; (4) Pillars of economic independence; (5) Social and cultural pillars; (6) Pillars of sustainable environmental management of communities around the mine; (7) Pillars of institutional formation in the community for the independence of PPM; (8) Pillars of infrastructure development that support PPM.

In implementing the PPM program or community development, PT XYZ formed a forum intended as a means of exchanging ideas and discussions between community representatives and company management. This forum is called the Community Consultative Forum or FKM which is formed in each village ring 1 company. The members of this FKM are various representatives from the community which generally consist of: representatives of the village government, represented by the village head or village secretary, and the Village Consultative Body (BPD), representatives of youth groups, representatives of women's groups and PKK, representatives of traditional or religious leaders and finally representatives of companies. The establishment of FKM in each ring 1

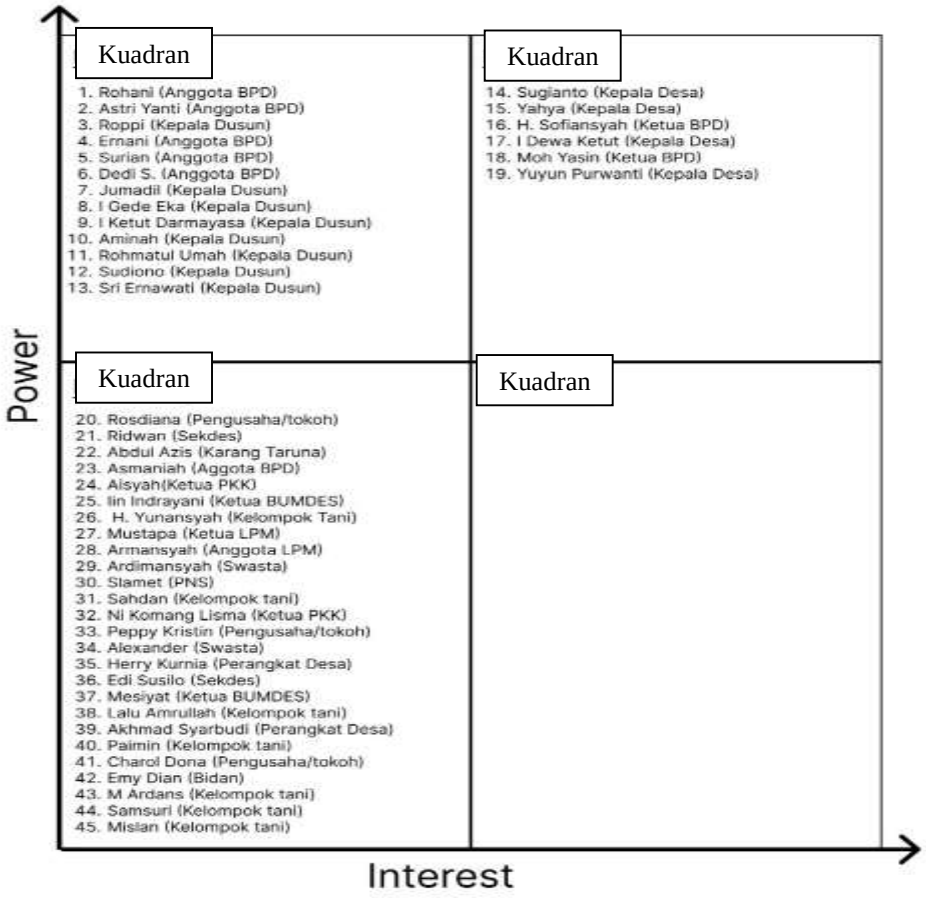
village by the company is part of the pattern or strategy of implementing the PPM program that was applied consistently long before ESDM regulations related to PPM were promulgated. Through the FKM mechanism, the company seeks to capture the aspirations of citizens in determining the PPM program where the election can be an agreement between bottom-up and top-down mechanisms. This means that sometimes there is a win-win solution pattern between the interests of the surrounding community and the company in determining the PPM program in ring 1 villages. During the operational period of the company, the pattern of stakeholder involvement through FKM in determining the PPM program continues to be carried out even though sometimes there are dynamics in the field that adjust to the pattern of power and interest from stakeholders. Because the involvement of stakeholders is dynamic and cannot be equated continuously because of the dynamic relationship between the company and the community.

However, the pattern of implementing the PPM program in consultation with FKM since the start of mine closure has been relatively abandoned. This is because the company does not have enough resources to maintain a pattern of relations with FKM. Moreover, the condition of mine closure makes the company have to focus on compliance with regulations or prioritize compliance in accordance with the Mine Closure Plan (RPT) document that has been made.

C. Stakeholder Mapping of PPM Program Implementation

As stated above that the PPM program for mining permit holders is mandatory, its implementation will certainly involve several parties in the community. Moreover, the PPM pillars in accordance with Decree 1824 of 2018 have eight pillars which will certainly involve many stakeholders in its implementation. From the mapping of PT XYZ's stakeholders related to the implementation of the PPM program and company activities, it can be grouped into six major groups: 1) village government groups, 2) farmer or professional groups, 3) women's and PKK groups, 4) youth groups, 5) general village community leaders/teachers/religious leaders, and 6) BUMDES groups. The six groups were also respondents in this study.

Using the Mendelow-Powe-Interest Grid matrix, the stakeholders above can be mapped into four quadrants according to power and interest in the success of the PPM program and the sustainability of the company's activities. As explained in the previous chapter that the determination of power and interest used by researchers is if stakeholders have high power based on criteria: 1) authority or official authority possessed by the individual, 2) have followers or group members. While low power is an individual who has only 1 of the above criteria or has none at all. While stakeholders have high interest or interest based on criteria: 1) expectations conveyed to the company at least 2 or more expectations or issues for example related to PPM programs, pollution, labor and becoming vendors. While low interest is an individual who only has 1 hope or issue or has none at all. In the process of placing or plotting stakeholders into stakeholder maps that refer to the above criteria, researchers use historical data and subjectivity from company field officers related to the relationship patterns of the figures selected as respondents with the company. The figure below shows a map of PT XYZ's stakeholders based on the criteria taken and historical data from the company.



D. Stakeholder Engagement by the Company

The Company in implementing the PPM program as required by the government through the Regulation and Decree of the Minister of Energy and Mineral Resources, involves stakeholders. The question is whether the company in involving or involving stakeholders is in accordance with its position or power-ineterest to the PPM program or to the company's activities. Based on findings in the field and interviews with several community leaders and company representatives, it can be seen that the implementation of the PPM program, especially during mine closure, is relatively top-down in its planning. As mentioned earlier, when the company was still actively operating, the function of community representatives through the Community Consultative Forum (FKM) in planning the PPM program was still running. Linked to the stakeholder map in figure 4.2. above, based on findings in the field, companies tend to include stakeholders in this case the community and its figures in the PMM program and the company's activities are summarized in the following table:

Table 2. Summary of the Pattern of Stakeholder Involvement by the Company in Implementation PPM Program during Post-Mining (Field Observations)

No.	*Stakeholder Groups*	Engagement Patterns During *Mine Closure* by Companies
1	Village Government Group (Village Head, Head of BPD)	*Keep Informed*
2	Group of leaders of farmer or professional groups	*Manage Closely*
3	Women's groups and the PKK	*Manage Closely*

4	BUMDES Group	*Manage Closely*
5	Youth Group/Coral Cadets	*Manage Closely*
6	General Public Leaders/Other Groups (Hamlet heads, BPD members and other figures)	*Maintain Interest*

From the table above, it can be seen that there are dynamics of company decisions in involving stakeholders in the PPM program and company activities. For example, for the BUMDES group where stakeholder mapping tends to be in quadrant 3 (low power-interest)-when the research is conducted-is treated manage closely. Based on information and observations in the field, BUMDES was involved in the construction project of several livestock shed buildings in mine closure program activities. The company also strengthened and trained BUMDES management, especially the Shining BUMDES in Bangunrejo Village, led by Mr. Mesiyat.

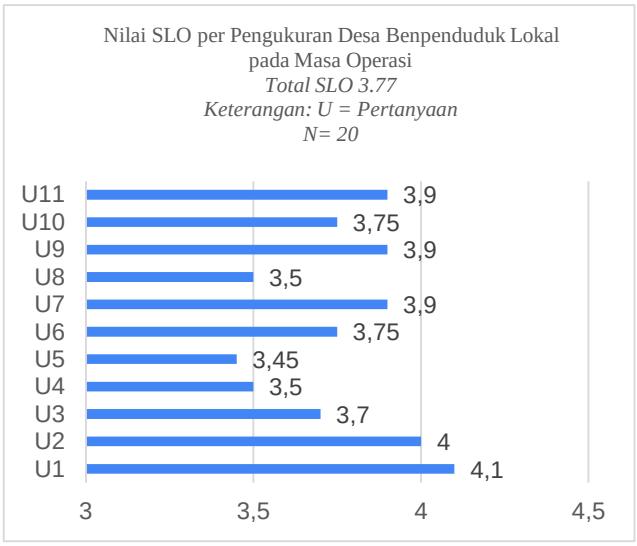
Thus, after interviews with several key figures who are considered to have legitimate power-interest in the PPM program and company activities, several social risks are expected. Social risks that are strong enough to emerge are legitimacy or support for the PPM program and support for the company's future activity plans. Where these key figures tend to be negative. Other social risks that may arise are the sustainability of the company's PPM program and employment. Where community leaders met in the field tend to ask about the continuation of the PPM program. They are aware that the company is no longer operating and is currently in the closing period of the mine. But they (community leaders) hope that the company can continue to operate so that it can continue to carry out PPM programs and provide job opportunities to the community around the company. Some community leaders who were met in the field considered the company's current PPM program – the post-mining period – relatively fairer. Where almost all communities receive benefits not only targeting certain groups of people. In the field, there are indeed several PPM programs carried out during the post-mining period in the nature of one shot projects, including the provision of BPJS assistance, assistance in installing electrical power and training for farmer and youth groups (welding-workshop training). The implementation of this one shot project program is carried out by the company because the company is in the mining closure period, making it difficult for the company if it has to carry out a long-term program. Even the one shot project program has been listed in the Mine Closure Plan document which tends to be easy to evaluate the success rate by the government.

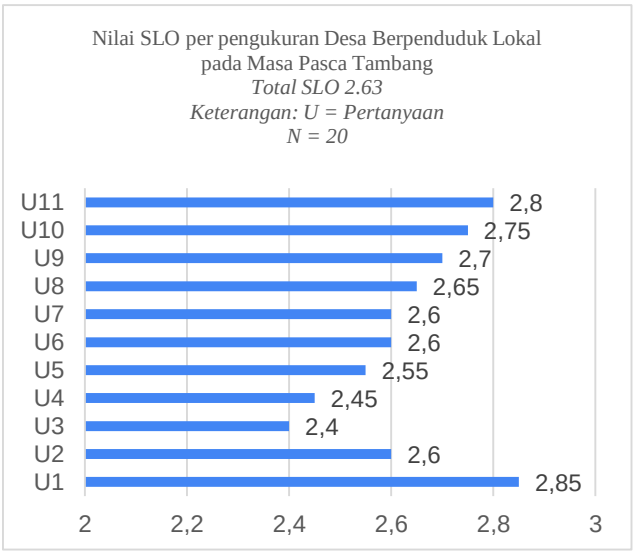
With the social risks that still arise and the need to mitigate these social risks, it is necessary to assess the community's acceptance of the company. Also, this acceptance assessment will require the company to continue other business activities after the mine closure period ends and is accepted by the government.

E. Findings and Analysis of Research from SLO Society to Companies

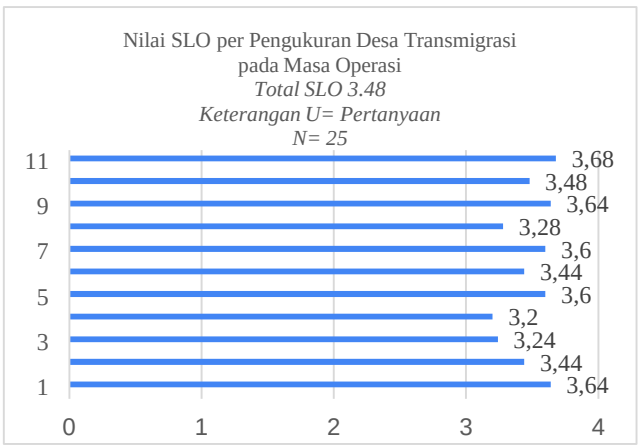
From interviews with 45 respondents regarding their opinions and responses to the existence of PT XYZ, quite interesting information was obtained. Questions about respondents were divided into two major parts, namely when PT XYZ was still in the operational stage and when it entered post-mining. This is so that researchers can see the tendency of changes in attitudes, opinions and responses from respondents which will be measured by calculating their SLO level. Because PT XYZ has entered the post-mining

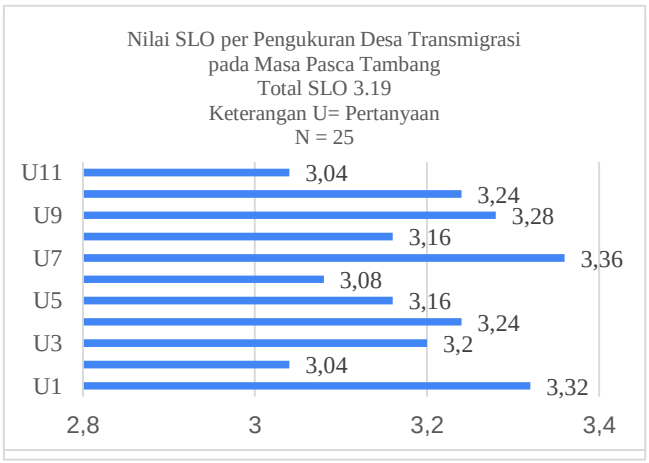
period, the comparison between SLO during the operating period and the post-mining period is quite interesting for further analysis. Including a comparison of attitudes, opinions and responses from local villagers and transmigrant villages.





Source: SLO Research, 2023





F. Comparison of the Acceptance Rate of Transmigrant Village Communities and Locally Populated Villages in the Operational and Post-Mining Period

The comparison of SLO values between locally populated villages and transmigration villages has a difference in results between the operational period and the post-mining period. During the operation period, the SLO value of locally populated villages was greater than that of transmigration villages, which was 3.77 compared to 3.46. Based on interviews, this is because, the company during the operational period was more aspirational to proposals from locally populated villages. The reason conveyed by the company is that based on power-greed to interest analysis, locally populated villages have relatively high power. Also, the local government is more to encourage the age world to attach importance to the interests of locally populated village communities for reasons of regional history. The table below visually describes the comparison of SLO values between locally populated villages and transmigrant villages during operation.

Table 3. Comparison of SLO Value in Operation Period Between Local Village and Transmigration Village

No.	Measurement	SLO value Desa Local	SLO value Transmigration Village
1	Information Transparency	4.10	3.64
2	Response to Community Aspirations	4.00	3.44
3	Community Interest	3.70	3.24
4	Common Vision	3.50	3.2
5	Involvement in Decision Making	3.45	3.6
6	Relationship Quality	3.75	3.44
7	Relationship Advantages	3.90	3.6
8	Justice	3.50	3.28
9	Benefits in PPM Program	3.82	3.56
10	Community Welfare Impact	3.90	3.68
	SLO Average Value	**3.77**	**3.46**

Source: SLO Research, 2023

Meanwhile, in the post-mining period, it can be seen that the SLO value of transmigrant villages is greater than that of locally populated villages, which is 2.63 compared to 3.19. Based on interviews and field findings, this is because the resilience level of transmigrant villages is better than villages with local populations. Transmigrant villages are more economically developed than locally populated villages. This is due to several things, including the diversity of livelihoods, the access of trans villages is relatively better to the main road. Locally populated villages in East Kalimantan are generally located on the edge of the Mahakam River, because in ancient times, the main transportation of local villages used river routes. The table below visually compares SLO values between locally populated villages and transmigrant villages in the post-mining period.

Table 4. Comparison of SLO Value in Post-Mining Period Between Local Village and Transmigration Village

No.	Measurement	SLO value Desa Local	SLO value Transmigration Village
1	Information Transparency	2.85	3.32
2	Response to Community Aspirations	2.60	3.04
3	Community Interest	2.40	3.20
4	Common Vision	2.45	3.24
5	Involvement in Decision Making	2.55	3.16
6	Relationship Quality	2.60	3.08
7	Relationship Advantages	2.60	3.36
8	Justice	2.65	3.16
9	Benefits in the Program	2.72	3.26
10	Community Welfare Impact	2.80	3.04
	SLO Average Value	**2.63**	**3.19**

Source: SLO Research, 2023

G. Stakeholder Engagement Strategy Based on Power-Interest Grid and SLO Results

Based on the stakeholder mapping carried out and the analysis of the SLO value, it is necessary to take strategic steps by PT XYZ. Where from the SLO value, villages with local populations tend to be less receptive to the existence of PT XYZ. This can be seen from the SLO value which is only 2.63 compared to the SLO value of transmigrant villages. Some

strategic steps that can be taken by companies in response to the map of important stakeholders, SLO values and social risks that arise can be summarized in the table below.

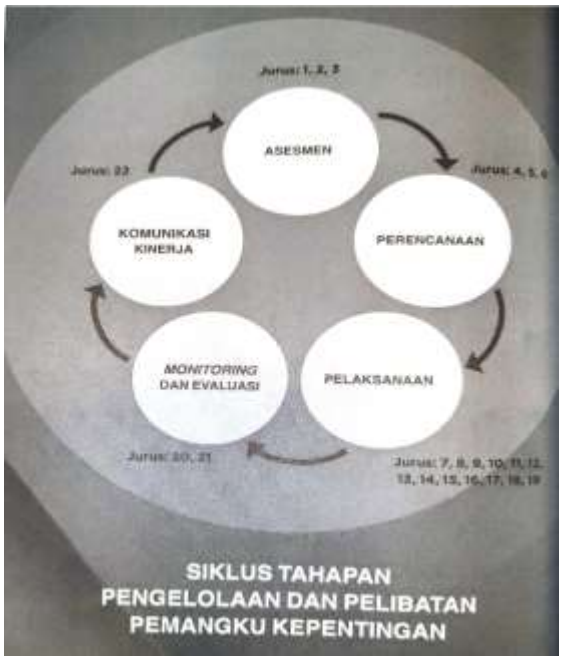
Table 5. Strategic Steps that can be taken by the Company in responding to Stakeholder Map, SLO Value and Social Risk

No	Stakeholders	Engagement and Strategic Steps
1	Local Berbensit Village Heads (Embalut and Separi Mahakam)	***Manage Closely*.** This is necessary because the village head has *power* and *interest* in the company's agenda and the implementation of the PPM program. Village heads have the legitimacy of territorial authority and companies are "guests" in their territory. The form of *closely management* can be done by: 1) conducting scheduled meetings between company management and Embalut and Separi Mahakam village heads or with all ring 1 company village heads. 2) involve the village head in the future planning of the company in the form of requests for *advices* in relation to *the mine closure process* and *post mine closure* involving local communities. 3) involve resources from local villages in the sustainability of the company's business. For example, the involvement of local village BUMDES in *the mine closure* and *post mine closure agendas* and the company's business in the future. Another is the commitment to recruit workers from local villages is prioritized if the company is going to start a new business. 4) Be given the opportunity to participate in training or comparative studies to more advanced villages in Java Island is mainly in the management of village budgets and BUMDES.
2	Village Head of Bangunrejo and Kertabuana	***Keep Satisfied.*** This is because the SLO value of transmigrant villages tends to be still at level 3 of the Boutilier SLO value table. Where it means that the acceptance of the community is relatively high even though it is in the acceptance category. The form of *keep satisfied* can be done in the form of: 1) involvement of community groups in transmigrant villages that have received the benefits of the PPM program in managing *the mine closure agenda*. Recipients of the BPJS program are involved in farmer groups processing rice fields in the *mine closure program*. 2) Regular communication between the company's management and them is scheduled. 3) Opportunities are given to attend training or comparative studies to more advanced villages in Java Island to add insight.
3	Farmer Groups and BUMDES	***Manage Closely*.** Although the stakeholder map of companies, farmer groups and BUMDES is relatively in the low *power-interest* quadrant but in the context of social risk mitigation, these two groups need to be more involved. Because in the future, the company may form new business units and the involvement of these two groups can be increased so that the company's SLO is relatively increased. Moreover, *the* company's mine closure agenda is much related to agriculture and animal husbandry. The form of *managing closely* can be: 1) given the opportunity to be involved in *the mine closure* and *post closure* agenda. 2) training related to agriculture and strengthening BUMDES. 3) Regular meetings or visits are held from the company's field officers to this group.
4	Youth Group	***Keep Satified.*** Although from the map of stakeholders or *stakeholders* , youth groups tend to have low power-interest, but in the future, this group must be managed properly. Given the social

	issues that arise, one of them is the opportunity to work in companies around the village, especially at PT XYZ if there is a new business. The form of *keep satisfied* that can be done by the company: 1) provide training to youth groups and cadets according to needs. 2) conduct regular meetings of the company's field officers towards this group.

The stakeholder engagement strategy suggested in the table above will certainly have an impact on the managerial aspects that are currently prepared. The managerial implications discussed here are narrowed down from the side: 1) governance in stakeholder engagement, 2) human resources, 3) organization and 4) budget. Related to the governance of stakeholder engagement, it can refer to the book written by the researcher, 22 Steps of Stakeholder Engagement which starts from the stages of assessment, planning, implementation, monitoring and evaluation, performance communication. The figure below is a pattern of governance in a stakeholder engagement strategy:

Figure 1. Cycle of Management and Stakeholder Engagement Stages



Source: 22 Kicks Stakeholder Engagement, 2022

Judging from the picture above, each cycle of stakeholder engagement stages has several practical approaches or moves. If a table is made, it can be summarized as in the table below.

Table 6. Stakeholder Engagement Governance Cycle and Practical Actions Companies Can Take

No	Stages of the Management Cycle and *Stakeholder Engagement*	No	Priority Practical Actions (moves) that can be taken by the Company
1	Assassination	1	Identifying Issues
		2	Mapping Stakeholders and Their Expectations
		3	Make priorities for issues and stakeholder maps that have been made
2	Planning	4	Develop a Stakeholder Engagement Plan

		5	Field Team Capacity Strengthening
		6	Involving Internal *Stakeholders*
3	Implementation	7	Provide a complaint mechanism
		8	Developing Relationships with Local Leaders
		9	Conduct Periodic Meetings
		10	Collaborate with Media and NGOs (if needed)
4	Monitoring and Evaluation	11	Conduct Monev regularly related to the results of stakeholder involvement and implementation of the PPM program on the issues faced
5	Performance Communication	12	Communicate PPM performance involving stakeholders to internal companies and local governments.

Other managerial implications that need to be considered by companies related to stakeholder engagement strategies in response to the relatively low SLO value and social issues that still arise, are related to human resources and organizations. Humans become the main factor in the company so that the company can achieve organizational goals. Related to responding and correcting the relatively low SLO value, the capacity of field officers from the company must be increased. Especially in communication both to the public, government and media, management of the PPM program both during mine closure and for preparation of post closure and performance reporting. For organizations, companies do have challenges in forming fat organizations. During the mine closure everything was limited, including the number of personnel who are currently only 18 people including the summit. Therefore, it is good to provide agile movement for employees including field officers, so management needs to equip or provide them with: 1) clear job description, 2) business process work specifically during mine closure that contains agile elements and 3) expected output targets. Other managerial implications that must be considered by company management are financial or budgetary aspects. This is to support stakeholder engagement agendas and work improvements so that the company's SLO value is relatively improved referring to the Boutilier SLO scale. Although in terms of the company's budget, it is relatively difficult to have space because it has entered the mine closure period, but it is good that the company's management at the board of directors level can provide budget concession policies. This policy is necessary if it is linked to the next plans of companies that will start new businesses outside coal mines. Where it is necessary to manage stakeholders in a planned manner so that social risks that may arise can be mitigated as early as possible.

H. The Company's Contribution to the Achievement of SDGs

PT XYZ, during the operational period and post-mining period conducts community development and empowerment programs or PPM. Based on the Minister of Energy and Mineral Resources 25 of 2018 concerning Mineral and Coal Mining Exploitation, article 38 paragraphs one to 8 states that every mining business license holder is required to carry out the PPM program. Related to the preparation of mine closure, PT XYZ has prepared a series of PPM programs written in the mine closure planning document. In the mine closure plan document or RPT document written the types of PPM programs, costs and implementation. In addition to the PPM program, the RPT document also conveys environmental handling plans such as reclamation plans and handling mine pits or called voids. Where is the period of program implementation mine closure PT XYZ planned for five years. This period includes the PPM and environmental agendas. The PPM program from PT XYZ when

related to the Sustainable Development Goals (SDGs) and Sustainable Development agenda, it can be summarized in the following table. The table below shows the PPM program to be implemented by PT XYZ for five years (2022-2026) in the context of mine closure and the relationship with SDGs.

Table 7. PT XYZ's PPM Program in the Mine Closure Agenda (2022-2026) and Relationship with SDGs

No.	PT XYZ's CD Program for Post-Mining Agenda	SDGs Contribution
	Health	
1	Provision of BPJS assistance for pre-prosperous families	SDGs 3
2	Procurement of clean water installation connections	SDGs 6
3	Improving nutritional quality in the form of additional food packages	SDGs 3
4	Medical treatment and health counseling	SDGs 3
	Education	
5	Welder training	SDGS 4, SDGs 8
6	Two-wheeler mechanic training	SDGs 4, SDGs 8
7	Cattle breeding training	SDGS 4, SDGs 8
8	Rice field farming training	SDGS 4, SDGs 8
9	Fruit plant training	SDGS 4, SDGs 8
	Real Income	
10	Procurement of orchards	SDGs 8
11	Expansion of the cowshed	SDGs 8
12	Development of agricultural tourism	SDGs 8
13	Development of fishing ponds	SDGs 8
14	Repair and procurement of fish breeding ponds	SDGs 8
	Economic Independence	
15	Procurement of oyster mushroom business package	SDGs 8
16	Manufacture of fermented feed	SDGs 8
17	Making organic fertilizer	SDGs 8
18	Corn grain processing	SDGs 8
19	Rice milling business	SDGs 8
20	Help breeds of laying hens	SDGs 8
	Socio-Cultural	
21	Erau Event Support	SDGs 11
22	Eid al-Adha activity support	SDGs 11
23	Arts and culture preservation construction fund	SDGs 11
	Milieu	
24	Strengthening waste banks	SDGs 11, SDGs 15
25	Environment day support	SDGs 11, SDGs 15
	Community Institutions	
26	Training on coaching & strengthening BUMDes	SDGs 8
	Infrastructure	
27	Electrical connection	SDGs 11

CONCLUSION

Based on the description above, it can be concluded that first, there is a dynamic of stakeholder involvement from the company in the implementation of the PPM program. Where during mine closure, companies tend to prioritize the compliance agenda with a focus on fulfilling the Mine Closure Plan document. In the field, it was found that stakeholders with relatively high power-interest were actually managed as stakeholders who had low power-interest. Second, the value of community acceptance as measured by the SLO (Social License to Operate) value between locally populated village communities compared to transmigration village communities at the time of operation is higher the SLO value of locally populated

village communities. The SLO value is 3.77 for locally populated villagers compared to 3.46 for transmigration villagers. If it is related to the level of Boutilier acceptance, the SLO value of local villages goes to the 4th level, namely low approval. While Trans village enters level-3, which is high acceptance. Third, the value of community acceptance as measured by the SLO (Social License to Operate) value between locally populated village communities compared to transmigration village communities during the post-mining period is higher than the SLO value of transmigration village communities. The SLO value for transmigration villagers is 3.19 while for local villagers it is 2.63. If it is related to the level of Boutilier acceptance, the SLO value of transmigrant villages goes into high acceptance (level 3) or high acceptance. While locally populated villages enter into low acceptance (level-2) or low acceptance. Fourth, the value of acceptance per village group between locally populated villages and transmigrant villages, which is compared between the situation during the operation period and the post-mining period is very different. For locally populated villages consisting of Embalut Village and Separi Mahakam Village, the SLO value is 3.77 during the operational period and 2.63 during the post-mining period. If it is related to Baoutilier's acceptance level, then during the operation period it enters the 4th level, namely low licensing or low approval. Meanwhile, during the post-mining period, it enters the 2nd level, namely low acceptance. Fifth, for people in transmigrant villages consisting of Kertabuana Village and Bangunrejo Village, the SLO value is 3.48 during the operational period and 3.19 during the post-mining period. If it is related to the level of Boutilier acceptance, then during the operation and post-mining period entered the 3rd level, namely high acceptance.

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