

IMPLEMENTATION OF THE HARMONY OF INDONESIA'S SUSTAINABLE DEVELOPMENT GOALS AND SUSTAINABLE DEVELOPMENT OBJECTIVES PT. PERTAMINA (PERSERO): CLEAN AND AFFORDABLE ENERGY

Ika Makherta Sutadji^{1,2*}, Eko Ganis Sukoharsono³, Lilik Purwanti³, Endang Mardiaty³

¹ Ph.D. The Student University of Brawijaya. ² Faculty of Economics and Business University of Balikpapan. ³ Faculty of Economics and Business University of Brawijaya

*** Corresponding author: ika.makherta@uniba-bpn.ac.id**

ABSTRACT

Goal – understand the implementation of the alignment of sustainable development goals and sustainability goals of PT. PERTAMINA (Persero) and its contribution to the 7th goal, namely clean and affordable energy.

Design/methodology/approach – the form of research is research with a qualitative descriptive approach. The method used is by reviewing the Sustainability Report document of PT. PERTAMINA (Persero) in 2020 and 2021.

Findings – The results showed that PT. PERTAMINA (Persero) has innovated environmentally friendly energy sources and new renewable energy (EBT). Refers to the Sustainable development Goals which contain 17 goals and 169 indicators. The findings can be stated that the alignment of sustainable development goals and PT. PERTAMINA (Persero). The company's activities have contributed to the 7th goal of clean and affordable energy.

Originality/value – this research has explored the implementation of corporate social responsibility activities that support sustainable development goals.

Keywords – Sustainable Development Goals, Sustainability Report, Corporate Social Responsibility

INTRODUCTION

Indonesia is a fast-growing country and could become the 4th largest economy in the world by 2050 (John Hawksworth, 2017). The issue of sustainable development is an important issue that continues to be socialized in the community. Sustainable development means development that meets the needs of the present without compromising the capabilities of the future, according to the United Nations Brundtland Report. Sustainable development answers human concerns about their lives due to limited natural resources in meeting their needs (Jannis Langer, 2021) Elkington's thinking through *the triple bottom line* includes *people, planet, and profit*, stating that development is a multidimensional effort to achieve a better quality of life for everyone. Economic development, environmental development, and social development are interconnected to support sustainable development. The implementation of development produces products in the form of waste, garbage, and waste in the form of solid, liquid, and, gas, as well as pressure and noise levels. So it needs to be maintained so as not to exceed the threshold and the carrying capacity of the environment.

The United Nations (2015), has a Sustainable Development agenda within a framework for present and future people and planet. The UN resolution is that the *Sustainable Development Goals* (SDGs) are joint development targets until

2030. The SDGs involve 194 countries, *civil society*, and various economic actors throughout the world. This agenda is to answer the demands of world leadership in overcoming poverty, inequality, and climate change in the form of real action. The SDGs were ratified on September 25, 2015 consisting of 17 global goals with 169 targets. The SDGs are policy and funding guidelines for the next 15 years and are expected to be achieved by 2030. These goals and targets cover 3 (three) dimensions of sustainable development, namely environmental, social, and economic (Theresia, 2018).

In Indonesia, the government issued Presidential Regulation No. 59 of 2017 concerning the Implementation of the Sustainable Development Goals. The Government of Indonesia divides the SDGs implementation team into 4 participation platforms, namely, Government and Parliament, CSOs, Academics and Experts and Philanthropy and Business Actors. Have a moral obligation to participate and synergize in building partnerships with one another to realize the goals of sustainable development in Indonesia. The main principle of the SDGs is " *Leave No One Behind* ". The SDGs are universal/applicable to all countries without exception, both developed and developing countries have a moral obligation to create the SDGs global development agenda.

The company's business activities are expected not to harm the interests of the community and the environment. Regulations in the form of Law No. PT. 40 of 2007 states that the company has the right to use natural resources and human resources around it, but the company also has an obligation to account for all the consequences obtained from its operational processes (Miqdad, 2016) . So that the company is fully responsible for supporting the implementation of sustainable development goals.

Indonesia is one of the countries that supports and participates in the agreement in the UN meeting. Indonesia is committed to the SGDs program with the support of Presidential Regulation (Perpres) number 59 of 2017 concerning the implementation of achieving sustainable development goals (Sudirman & Rifai, 2021) . The following is a table of sustainable development goals that are on the joint agenda of all countries that are members of the United Nations.

Table 1: Sustainable Development Goals

No.	Goals	Description
1	No poverty	End poverty everywhere and in all its forms
2	Zero hunger	End hunger, achieve food security and better nutrition, and promote sustainable agriculture
3	Good health and well-being	Ensuring healthy lives and supporting well-being for at all ages
4	Quality education	Ensure inclusive and equitable quality education, while also supporting lifelong learning opportunities for all
5	Gender equality	Achieve gender equality and empower all women and girls
6	Clean water and sanitation	Ensure the availability and sustainable management of water and sanitation for all
7	Affordable and clean energy	Ensure access to affordable, reliable, sustainable and modern energy for all
8	Decent work and economic growth	Support inclusive and sustainable economic growth, full and productive employment, and decent work for all
9	Industry, innovation and infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
10	Reduced inequalities	Reduce inequality within and between countries
11	Sustainable cities and communities	Building inclusive, safe, durable and sustainable cities and settlements

12	Responsible consumption and production	Ensure sustainable consumption and production patterns
13	Climate action	Take urgent action to combat climate change and its impacts
14	Life below water	Conserving and sustainably utilizing marine, oceanic and maritime resources for sustainable development
15	Life on land	Protect, restore and support sustainable use of terrestrial ecosystem, sustainably manage forests, combat desertification, and halt and reverse land degradation, and halt biodiversity loss
16	Peace, justice and strong institutions	Support peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels
17	Partnerships for the goals	Strengthen implementation measures and revitalize the global partnership for sustainable development

The Sustainable Development Goals (SDGs) are global action plans agreed by world leaders, including Indonesia, to end poverty, reduce inequality and protect the environment. The SDGs contain 17 Goals and 169 Targets that are expected to be achieved by 2030. The main principles of the SDGs are as follows; Universal Development Principles; Integration; No one left behind; Inclusive Principles (United Nations General Assembly, 2015). This principle is a shared vision for Indonesia involving stakeholders to achieve the SDGs consisting of the government, philanthropy, business actors, community organizations and the media as well as academics and experts. (Sudirman & Rifai, 2021). The Sustainable Development Goals (SDGs) define ways to achieve a better and more sustainable future for people from every corner of the world. The SDGs will answer global challenges in the form of poverty, inequality, climate change, environmental degradation, peace, and justice (Katekar et al., 2020) .

Energy has an important position because it relates to all aspects of human life. The report on the progress of sustainable development goals stated that SDG7 regarding the need for clean and affordable energy is still very lacking. Progress in the field of sustainable energy still does not meet the needs of energy access for everyone and has not met targets in energy efficiency and renewable energy (Hillerbrand, 2018) .

METHODS

This study uses a descriptive qualitative approach with the research location of PT. PERTAMINA (Persero). Data collection techniques through review of sustainability report documents. Researchers conducted a review of the Sustainability Report of PT. PERTAMINA (Persero) which is linked to the Sustainable Development Goals (SDGs) Agenda which consists of 17 goals and 169 targets. This article focuses on the 7th sustainable development goal, namely Affordable and clean energy.

DISCUSSION

The limited available energy sources have an impact on the utilization for the environment. Innovation in energy use is needed to ensure access to affordable, reliable, sustainable and modern energy. (Wohon et al., 2017). The increasing concern over potentially growing social problems raises questions about the contribution of business organizations to the achievement of sustainable development (Orazalin & Mahmood, 2020) . Energy is a driving force for the socio-economic development of every country (Ambade et al., 2017) . The world's population is experiencing an increasing need for energy which results in the world facing the problem of energy shortages. Sustainable Development Goals-7; ensure

access to affordable, reliable, sustainable and modern energy for all (Katekar et al., 2020) .

The form of the company's contribution is generally stated in the Sustainability Report. Likewise with PT. PERTAMINA (Persero) also reported the contribution made in Corporate Social Responsibility activities. Referring to its vision: to become a world-class national energy company. Mission: to run oil, gas and new and renewable energy businesses in an integrated manner, based on strong commercial principles. The company's main values: moral, trustworthy, competent, harmonious, loyal, adaptive, collaborative. Disclosure of sustainability reports is a form of company commitment in publishing sustainability reports. Sustainability reports provide information on accountability (Ihsani et al., 2021) .

Addressing energy needs through clean technology by 2030 (UN Sustainable Development Goal 7) requires rapid access through the use of limited resources. Energy access is one way to reduce endemic global inequality, which will require rapid progress in developing scientific and technological solutions in reducing costs that are appropriate without compromising good quality (Nathwani & Kammen, 2019) .

According to the Central Statistics Agency (2017) to achieve the 7 SDGs goals, namely: clean and affordable energy, the target is to increase energy efficiency (2015-2030), consists of targets, namely:

- 1) Proportion of population with access to modern cooking solutions, by urban/rural area;
- 2) Proportion of population with reliable access to electricity, by urban/rural area;
- 3) Implied incentives for low carbon energy in the electricity sector (calculated in US\$/MWh or US\$ per tonne of CO₂ to be avoided), and;
- 4) Prime level of energy intensity increase .

According to the 7th SDGs target indicators, namely:

1. By 2030, ensure universal access to affordable, reliable and modern energy services
2. By 2030, increase substantially the share of renewables in the global energy mix
3. By 2030, double the rate of energy efficiency improvements
4. By 2030, expand international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and more advanced and cleaner fossil fuel technologies, and encourage investment in energy infrastructure and clean energy technologies
5. By 2030, add infrastructure and improve the quality of technology to supply modern and sustainable energy services to all developing countries, in particular in least developed countries, small island developing countries, and landlocked developing countries, in accordance with their respective program assistance

Alignment of Sustainable Development Goals PT. PERTAMINA (Persero) with the SDGs, namely; 1. Minimum achievement of BLUE in PROPER assessment; 2. Indonesia's Energy mix target of 23% by 2025; 3. Achievement of total value creation through community empowerment programs; 4. Musicool sales increase 198 MT in 2024; 5. Biodiesel B30 during 2021; 6. Pertamina Turbo with EURO 4 standard with a maximum sulfur content of 50 ppm; 7. Pertamina DEX with a maximum sulfur content of 50 ppm equivalent to the EURO 4 standard in 2022

PT. PERTAMINA (Persero) in 2020, won the International Award for The 12th Global CSR Awards 2020, for various innovative and sustainable CSR programs. Awards were given by Global CSR for five categories that support the achievement of the Sustainable Development Goals (SDGs) targets, namely Quality Education; Responsible Consumption and Production; and Protecting Land Ecosystems . This means PT. PERTAMINA (Persero) has a significant contribution to the implementation of the *Sustainable Development Goals* in Indonesia.

Commitment to sustainability the implementation of sustainability values and principles, which are based on the Company's *Code of Conduct* . The implementation of sustainability includes a management system that supports sustainability issues in the form of environmental, social, and governance (LST) aspects in the Company's activities that support the Sustainable Development Goals (TPB). Environmental aspects prioritize health, safety, security and environment (HSSE) and environmental risk management. Social aspects, through the energy business approach, to transform into potential and opportunities for the development of the Company's market share. Aspects of governance through the development of leadership and professionalism as the basis for PERTAMINA personnel.

The company's commitment to building a culture of sustainability prioritizes the balance and preservation of nature, the environment and society in order to achieve sustainable business growth. Strategic initiatives of commitment to build a culture of sustainability are carried out in the form of: Sustainable community empowerment; Environmental conservation insight; Business strategy implements optimal provision of infrastructure. The scope of PERTAMINA's business activities in the field of energy business operations are: • oil and gas; • new and renewable energy; • other activities related to or supporting business activities in the energy sector, namely oil and gas, new and renewable energy; • development of the optimization of the company's resources.

Preparing for sustainability will be in line with global dynamics that prioritize the integration of commitments in the environmental, social, and governance fields in business strategies, as well as the Sustainable Development Goals. The Sustainability Policy is an integrated component of operational excellence at PERTAMINA to contribute to the Sustainable Development Goals (SDGs). Vision and mission of PT. PERTAMINA (Persero) is a leading and reputable Global Energy Company and is recognized as:

1. Environmentally Friendly, 2. Socially Responsible Company, 3. Have Good Corporate Governance

PT. PERTAMINA (Persero) is committed to:

- 1) Ensure the security of energy supply and access throughout the country.
- 2) Reducing greenhouse gas emissions, non-greenhouse gas emissions, releases, waste, effluents, and addressing broader climate change issues through managing regulatory, reputational, and/or market-related risks from climate change by integrating them into strategies and operations .
- 3) Protect and preserve the environment, water, natural resources, and energy through an environmental management system that will be monitored continuously.
- 4) Management and mitigation of the impacts of projects and activities on biodiversity with the aim of 'Net Positive Impact', by avoiding operational activities in areas with high biodiversity, and incorporating biodiversity aspects in project planning and operations.

- 5) Rehabilitate land after closure of operations to restore ecosystems, minimize negative impacts and maximize benefits, and set aside adequate funds for closure of operations and rehabilitation.
- 6) Implement the highest standards related to Health, Safety and Environment to maintain the health, safety and security of employees, contractor workers, communities, and customers, as well as prepare for and respond to emergencies, and prevent major accidents throughout the workplace.
- 7) Become a locomotive of social development to encourage social and economic development in the community.
- 8) Consult with stakeholders on environmental issues and with local/neighborhood communities on community development & engagement to improve their welfare.
- 9) Respect the rights of the communities/indigenous communities where the company operates, including promoting socio-economic development, supporting the fulfillment of social, economic, and cultural rights, protecting cultural sites, and avoiding coercion in the relocation of indigenous peoples/communities.
- 10) Work with partners and suppliers towards environmentally friendly and sustainable procurement of goods and services to ensure minimum impact on the environment.
- 11) Support the provision of products and services that comply with the principles of sustainability to customers.
- 12) Encourage sustainable employee development, fair treatment, and diversity in the workplace.
- 13) Increase the use of local manpower and contractors as long as they are in accordance with operational needs, especially through training and support programs for Micro, Small and Medium Enterprises (UMK) and key economic actors.
- 14) Ensure compliance with all legal requirements and uphold Good Corporate Governance in all activities.
- 15) Enforcing judgments regarding anti-corruption and anti-fraud practices within the Company

CONCLUSION

Full attention to energy fulfillment is carried out through innovation, behavioral and social changes and gradual system design. PT. PERTAMINA (Persero) according to its vision and mission has shown its contribution to the Sustainable Development Goals. There is good harmony and synergy in the implementation of the Sustainable Development Goals of PT. PERTAMINA (Persero). PT. PERTAMINA (Persero) has innovated environmentally friendly energy sources and new renewable energy (EBT). This shows that the company's activities refer to sustainable development goals which consist of 17 goals and 169 indicators. The company's activities that have contributed to the 7th goal of clean and affordable energy have been well implemented. PT. PERTAMINA (Persero) invites the surrounding community to implement the TPB program, especially Goals 7, affordable and clean energy for all. And for each individual to use energy wisely in daily life to maintain the balance of nature.

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