



Implementation Of Green Economy In Palm Oil Company PTPN XIV In Burau District, East Luwu

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Abstract. This study explores the implementation of Green Economy at PT Perkebunan Nusantara XIV, located in Burau District, East Luwu Regency. The main objective of this study is to identify how Green Economy is implemented in the company and the factors that support or hinder its implementation. The method used in this study is qualitative, with data collection techniques that include: (1) Observation, to obtain information about the implementation of Green Economy through systematic observation of relevant phenomena; (2) Interviews, by asking employees, workers, and local communities directly; (3) Documentation, which involves analyzing documents such as archives, organizational structures, history, vision, mission, and other related written information. Data analysis was carried out descriptively through three stages: data reduction, data presentation, and drawing conclusions. The research findings show that PT Perkebunan Nusantara XIV has not fully implemented Green Economy, as seen from two of the three main indicators—Low Carbon and Resource Efficiency—which have not been met, while the Social Inclusion indicator has been met. The company's failure to meet all of these indicators has a negative impact on the community and the surrounding environment.

Keywords: Green Economy

1 INTRODUCTION

1.1 A Subsection Sample

Green economy is an approach that emphasizes long-term social benefits through temporary activities, aimed at improving human well-being and reducing inequality, without burdening future generations with serious environmental risks or ecological deficits. The development of modern lifestyles has led to the over-exploitation of natural resources, which in turn threatens environmental sustainability. Although development that focuses on production growth can boost the economy, it often fails to address social and environmental issues, such as increasing greenhouse gas emissions, forest loss, and the destruction of species and biodiversity. One of the main characteristics of the green economy is the direct evaluation of natural capital and

ecological services as components of economic value, where the costs imposed on society can be measured and considered as a responsibility to maintain natural assets. The green economy also includes a low-carbon economic model that minimizes emissions and pollution, while its ecological model focuses on sustainable development and the principles of ecological economics [1].

Many countries are faced with the challenge of declining quality of natural resources, energy, environment, and food. Irresponsible management of non-renewable natural resources has posed a threat to the environment, especially due to human behavior that does not pay attention to aspects of sustainability. In addition, the problems of climate change and global warming also threaten the earth's ability to sustainably meet human needs and welfare. PT Perkebunan Nusantara XIV is one of the palm oil mills located in eastern Indonesia, precisely in Lagego Village, Burau District, East Luwu Regency, South Sulawesi. This factory was built with funding from Bank Indonesia and the Government of the Republic of Indonesia, and was established through a management collaboration with PT Arena Sarana Teknik. However, like other companies in this industry, PT Perkebunan Nusantara XIV faces challenges related to its environmental impacts, including air pollution and waste disposal into rivers that cause the water to turn black and cause an unpleasant odor [2].

Complaints from the surrounding community are related to poor waste management and air pollution caused by factory waste. The presence of PT Perkebunan Nusantara XIV is expected to improve the welfare of the population, especially for those who live in the surrounding area. Through initial observations and communication with residents, here are some of their views:

Nurbaeti, a resident of Lagego Village, on April 11, 2023, expressed the difficulty in obtaining clean water from the river due to pollution from palm oil waste, so that access to clean water is limited due to frequent leaks in waste reservoirs.

Arpa, also from Lagego Village, on April 11, 2023, added that the company not only manages oil palm from outside, but also has its own land in several places, providing easier job opportunities for generation Z who do not yet have a diploma.

Nirlala, another resident of Lagego Village, on April 12, 2023, stated that the smell from the palm oil processing process disrupts their activities outside the home and makes it difficult for them to get fresh air when the factory is operating.

The development of the palm oil industry in Indonesia has attracted global attention, especially among vegetable oil producers. Since 2006, Indonesia has become the largest palm oil producer in the world. The rapid growth of palm oil market share affects competition with other vegetable oils, including the negative impacts caused. Sustainability in the management of oil palm plantations is a major concern because it is often considered a cause of deforestation and environmental damage, especially due to irresponsible practices that pollute rivers or seas with waste [3].

Based on the explanation above, the researcher is interested in researching the problems that arise from PT Perkebunan Nusantara XIV, with the research title "Implementation of Green Economy at PTPN Companies in Burau District, East Luwu Regency".

2 LITERATURE REVIEW

The following is a summary of several previous studies that were systematically used as references in this study:

Sari's (2021) research entitled "Application of green economy in the development of tourist villages as an effort to realize environmentally friendly development" uses qualitative methods. The results describe the application of sustainable development principles in Kota Baru by focusing on the concept of green economy. This research has similarities with the research currently being conducted in terms of using qualitative descriptive methods. However, there is a difference in focus, where Sari's research examines the development of tourist villages, while the current research focuses more on the application of the green economy in the palm oil company sector.

Meanwhile, research by Nurafika and Pipin (2018) entitled "Analysis of the implementation of green economy accounting in PTPN III Rambutan and Kebun Gunung Para" also uses a qualitative approach. Their findings show that PTPN III Rambutan and Gunung Para have included environmental costs in their accounting records, although these costs have not been specifically identified. Environmental costs are recorded outside of the main production costs and are calculated in monetary form based on company expenditures. Although both studies discuss the green economy, this study has a different focus, where the previous study emphasized green economy accounting, while this study focuses more on the implementation of the green economy in palm oil companies.

3 RESEARCH METHODS

This study will apply a descriptive qualitative approach. The main focus is to identify existing problems by emphasizing the presentation of facts [4]. Based on expert opinions, descriptive qualitative research aims to understand phenomena from the perspective of participants. In this study, participants are individuals who are interviewed, observed, and asked to provide information, responses, and their understanding, which are obtained through the analysis of various aspects related to interests and explanations of certain situations [5].

Primary data will be collected through interviews, observations, and documentation, focusing on the implementation of the green economy in the palm oil company PTPN XIV located in Burau District, East Luwu Regency. In addition, secondary data will be taken from books, scientific papers, internet sources, and other documents relevant to this study. These sources will be used as a library foundation that supports the data and information obtained. Data analysis will be carried out through three stages: data reduction, data presentation, and drawing conclusions.

4 RESULTS AND DISCUSSION

In a period of about one week in July, the author conducted interviews regarding the implementation of Green Economy at PT Perkebunan Nusantara XIV located in Lagego Village. This interview involved several PTPN XIV employees and a number of local residents. From the results of the study, information was obtained regarding how the company implements the Green Economy concept. The following are the results obtained:

4.1 Low carbon (Low Carbon)

Low carbon economy is a system that aims to improve social welfare, while significantly reducing carbon emissions and minimizing negative impacts on the environment. Based on the Decree of the Minister of Health of the Republic of Indonesia Number 1407 of 2002, air pollution is defined as the presence of foreign materials or substances in the atmosphere that change the composition of the air from normal conditions [6]. Carmon explained that air pollution occurs due to contaminants in the atmosphere produced by human activities [6]. The Low Carbon concept is one of the indicators of the implementation of the Green Economy, with the aim of describing a sustainable development plan to avoid environmental damage and excessive air pollution, which can cause pollution. Companies should pay attention to this aspect to maintain good relations with the local community. However, in reality, PT Perkebunan Nusantara XIV does not make this issue a priority, thus contributing to air pollution, as conveyed by Mrs. Sri Wahyuni, a resident of Lagego Village. :

"I have lived in Lagego Village for 53 years. Since PTPN was established, I have continued to breathe bad air until now [7]."

Mrs. Nirwana, another local resident, also added:

"Yes, we are used to this unpleasant smell, so there are no more questions about its origin. The people of Burau District are very familiar with Lagego Village with its distinctive unpleasant aroma [8]."

From the interview, it can be concluded that PT Perkebunan Nusantara XIV has not implemented the Green Economy principle with the Low Carbon indicator. The company has not found an effective solution to overcome the odor and smoke produced from the processing process.

4.2 Resource Efficient (Resource Efficiency)

The concept of resource efficiency refers to the sustainable use of limited natural resources, without causing negative impacts on the environment [9]. According to Mohkaris (2008), environmental pollution occurs when foreign substances are introduced or added to the environment in certain amounts, which threaten human health, disrupt life and ecosystems, and damage natural resources in the ecosystem [9]. Thus, environmental pollution can be interpreted as the excessive presence of objects or organisms that disrupt environmental functions.

PTPN is suspected of dumping excessive waste into the river, which causes environmental pollution. The river in Lagego Village, which used to be a source of clean water, has now turned pitch black. Mrs. Salmah, a resident, stated: "The river that used to be a source of clean water is now pitch black due to factory waste. However, the company occasionally provides clean water as their responsibility [10]." Mr. Salim, a worker, added: "We have six waste ponds. When the ponds are full, we dump it into the river [11]." Mrs. Mardiana, another resident, also confirmed: "In the past, children often fished in the river during school holidays. However, now they don't because the fish have disappeared due to waste disposal by PTPN [12]."

From the interview, it can be concluded that the company has damaged environmental sustainability by dumping palm oil waste into the river, which was previously a source of clean water for the community. Nevertheless, PT Perkebunan Nusantara XIV continues to strive to be responsible by providing clean water every month for the surrounding community.

4.3 Implementation of Social Inclusive (Social Inclusion)

Social inclusion can be understood as a principle that affirms that everyone has the right to live, interact, and work in society, and to enjoy equal life, work, services, and opportunities, regardless of background, certain conditions, religion, or other categories. Within this framework, it is expected that all individuals support each other and respect differences, so that everyone's basic needs can be met .

PT Perkebunan Nusantara XIV defines social inclusion indicators as efforts to develop all parties regardless of class. The company is committed to the principle of balance between humans and the environment, with the aim of creating a harmonious life without discrimination or exploitation. As part of its social responsibility, the company provides support to local communities, including efforts to overcome poverty and provide higher education scholarships for employees for the welfare of the community. PT Perkebunan Nusantara XIV also shows a real commitment to the local community by prioritizing the absorption of workers from the surrounding areas, according to the location of each Afdeling.

Table 1. Employee Data of PT Perkebunan Nusantara XIV

No	Name	Afdeling	position	J k	Adre ss
1	R. De Fretes	Afd. Barat	Burau CKP Plant	L	Lageg o
2	Suyanto P.	Afd. Barat	Burau Foreman I	L	Lageg o
3	Rondong Allo	Afd. Barat	Burau Global Officer Telling	L	Lageg o
4	Sara Sarasa L.	Afd. Barat	Burau Foreman Maintenance	P	Lageg o
5	Yusdar Hidayat	Afd. Barat	Burau Foreman Maintenance	L	Lageg o
6	Jumani	Afd. Barat	Burau Foreman	L	Lageg

		Barat		Harvest		o
7	Asmar	Afd.	Burau	Maintenance	L	Lageg
		Barat				o
8	Guntur K.	Afd.	Burau	Maintenance	L	Lageg
		Barat				o
9	Limaris	Afd.	Burau	Maintenance	L	Lageg
		Barat				o
10	Adrianus Oskar	Afd.	Burau	Harvester	L	Lageg
		Barat				o
11	Rofinus Jihu	Afd.	Burau	Harvester	L	Lageg
		Barat				o
12	Gustinus Adija	Afd.	Burau	Harvester	L	Lageg
		Barat				o
13	Benediktus Pamput	Afd.	Burau	Harvester	L	Lageg
		Barat				o
14	Robertus Lohem	Afd.	Burau	Harvester	L	Lageg
		Barat				o
15	Rahmayanti	Afd.	Burau	Crane Section	P	Lageg
		Barat				o
16	Sarminah	Afd.	Burau	Foreman	P	Lageg
		Barat		Nursery		o

Mr. Jaenal, who serves as the Head of HR Coordinator, stated, “We recruit workers from their respective areas. Currently, there are eight Afdeling locations, and each Afdeling gets workers from that area . For example, for the Afdeling located in East Burau, workers are taken from Lagego Village, considering that the Afdeling is located in that village [13]”.

Table 2. Scholarships or accommodation fees for July 2023

no	employee	amount that gets paid accommodation	description
1	management employee	11 people	400 students per month
2	implementing employee	55 people	Vocational high school 300 per month

Mr. Salim expressed his views on the scholarship assistance received by employees at PT Perkebunan Nusantara XIV. He said, "Alhamdulillah, the presence of this company is very helpful. In addition to working here, my child also received a scholarship for college fees [11]."

Mrs. Salmiah, a housewife who works seasonally at PT Perkebunan Nusantara XIV, stated, "I am a housewife. With PTPN, I can get a side job at the factory, which really supports my family's economy. Incidentally, I work here because I am a local resident [14]."

PT Perkebunan Nusantara XIV is a real example for the Lagego community, not only in creating jobs but also providing scholarships for employees and opportunities for seasonal work. This is very beneficial because it provides opportunities for both men and women to contribute to meeting the needs of their families.

4.4 Barriers and Supporters in the Implementation of Green Economy

Supporters.

The company continues to strive to create a good image in the eyes of the community by providing special job opportunities for local residents. In addition, they also provide scholarships that include pocket money for children of employees who are studying at the undergraduate level.

Inhibitor

The company is still in the early stages of implementing the green economy concept, due to limited technology to reduce pollution from the factory and a lack of manpower, which makes it difficult to divide tasks in waste management. Mr. Jenal, HR Coordinator, explained, "We have problems with the number of workers to manage the waste, so often the waste is just left. If there are residents who want to take it, we will give it to them."

In addition, the company also faces another challenge, namely limited technological progress. Mr. Jaenal, HR and General Coordinator, stated, "PTPN still uses diesel fuel which is quite affordable. However, we really hope for better technology to overcome the problem of smoke from the processing process and unpleasant odors." This is one of the obstacles in the company's efforts to implement a green economy

5 CONCLUSION AND SUGGESTIONS

Based on the analysis and discussion regarding the implementation of green economy in PT Perkebunan Nusantara XIV, this study found that the company has not fully implemented the principles of green economy. This can be seen from the indicators that have not been fully met, where two of the three indicators—namely low carbon and resource efficiency—have not yet been implemented. Meanwhile, the indicator that has been met is social inclusion. The failure to fulfill several of these indicators can potentially have a negative impact on society and the environment, indicating the company's unpreparedness in this regard.

Here are some suggestions from researchers: Further researchers are advised to develop further research on the implementation of the green economy, both from the

methods used and by adding relevant indicators. Companies are expected to be more serious in implementing a green economy in order to maintain environmental sustainability and create comfort for local communities. .

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