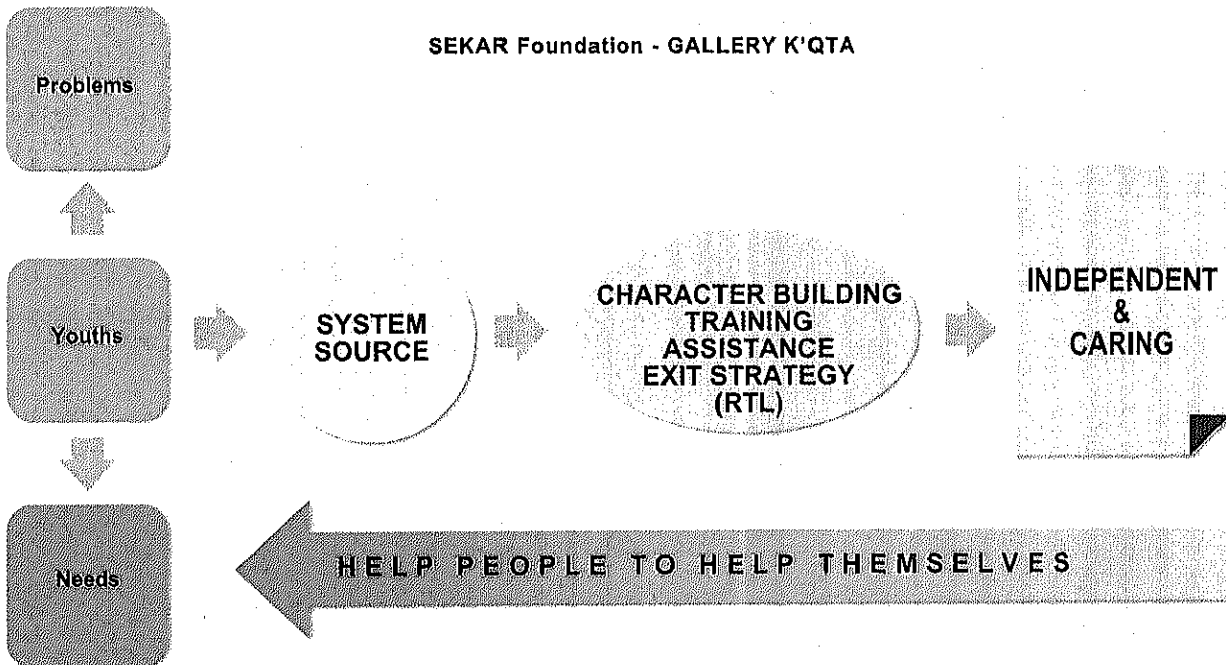
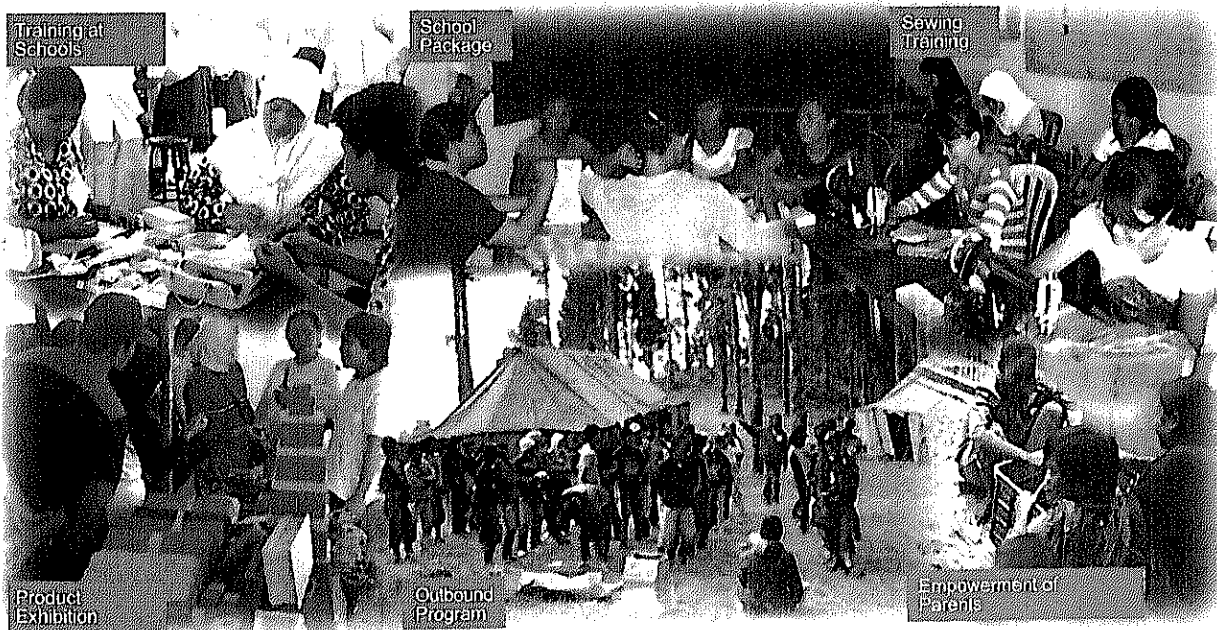


YOUTH EMPOWERMENT THROUGH ENVIRONMENTALLY-FRIENDLY ACTIVITIES

SEKAR Foundation - GALLERY K'QTA



[Provisional translation of presentation on
 "Memberdayakan Pemuda Melalui Kegiatan-kegiatan Usaha Ramah Lingkungan" by Dindin Komaruddin, 2008]



[Provisional translation of presentation on
 "Memberdayakan Pemuda Melalui Kegiatan-kegiatan Usaha Ramah Lingkungan" by Dindin Komaruddin, 2008]

Session 2 : Changes from within and from outside

■ Session 2-1: Lessons from NGO, community groups, and academy

In this session, we learned from NGOs and the community on how they have implemented their activities for the development of the community, either on their own or through the support of private organizations or donors. We also learned about experience from a university in creating an integrated program to support the self-sufficiency of the community.



Asep Dedy Sutrisno

Program Director, Pasundan University (UNPAS)

UNPAS is currently implementing a CEP project on "Implementation of Standard, Good Post Harvest, and Product Diversification to Mango Fruit in Cirebon, Indramayu, Majalengka, and Kuningan Districts". This is a one-year cooperation with JICA and supported by the Provincial Office for Agro-Industry and Trading of West Java. The project aims to increase the ability of mango farmers in diversification of mango products to tackle over-production in which the price of mango drops sharply.

UNPAS works with SMEs in the target districts and trained them in subjects related to agricultural products processing. As a contribution, UNPAS supported the SMEs in providing service on nutrition value analysis and packaging ideas to attract the attention of customers. The project also provided mango processing equipment for selected participants. UNPAS also provides their food processing laboratory for practical training. Through the project activities, UNPAS expects to minimize decrease of quality, minimize quantity losses, increase added value of mango products and competitiveness, and assure safety of the products.

• Complete materials can be found in the attached CD



COMMUNITY EMPOWERMENT PROGRAM (CEP) PASUNDAN UNIVERSITY



[Source : Program Pemberdayaan Masyarakat / Community Empowerment Program (CEP) Universitas Pasundan,
Asep Dedy Sutrisno, 2008]





Suharman Noerman

Corporate Forum for Community Development (CFCD)

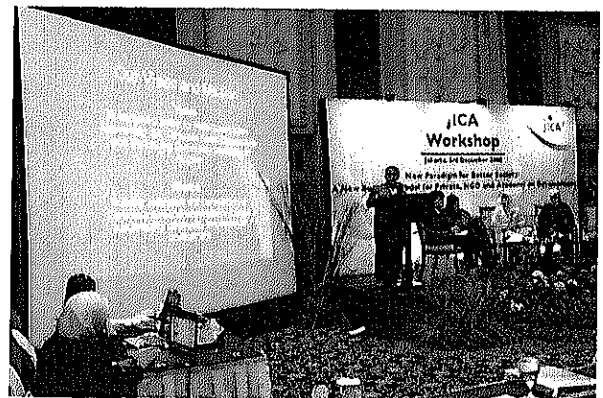
Vision: To become a center for Multi-Stakeholders Networking on Corporate Social Responsibility and the leading Community Development Program.

Mission: Building awareness and commitment of Corporate on Social Responsibility through a sustainable community empowerment / development.

CFCD is an open forum for CSR implementers without membership fee, apolitical, independent and legal organization. It started with only 15 companies as the initiators and have now grown to around 200 corporate members. The forum was established based on the needs of several organizations to share experiences and learn about CSR.

CFCD conducts discussion forums, trainings and ISO 26000 SR workshop, comparative study, social mapping and audit, advisory and consultancy services, publications, and partnerships in projects or programs. Membership is opened to organizations willing to develop their CSR/CD programs. Current members consist of CSR/Community Relation/Community Development officers, social workers, and trusty board members.

• Complete materials can be found in the attached CD







Maya Tamimi

Unilever Peduli Foundation, PT. Unilever Indonesia

Unilever implements its CSR program through a bottom-up approach based on the consideration that CSR is "the impact of the whole company business operation to the community" to provide positive impact for the community. The impacts start from the extended supply chain, the business operation, and finally from community engagement. Community engagement by UPF deals with four sectors, which are the environment, public health education, care for the surrounding area, and humanitarian aid.

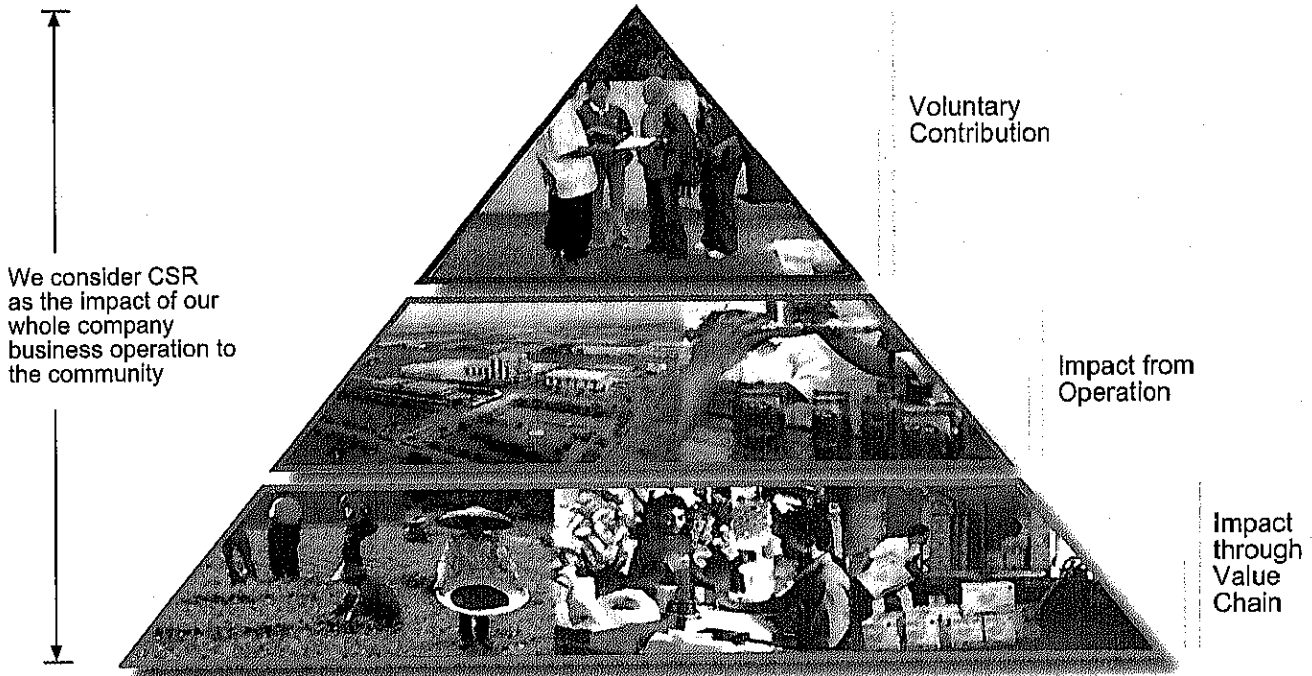
Maya showed an example from one of UPF's environment programs, the Green and Clean Program. The idea was based on the waste management problem seen in big cities in Indonesia. The program motivated the community to recycle their waste and get economic value from them as recycling entrepreneurs. There are now 450 entrepreneur members as a result of this program in Jakarta, Yogyakarta, and Surabaya.

Unilever's strategy to make the program successful was by promoting their "Trashion" concept, or "trash fashion", in which plastic wastes from Unilever's products are made into trendy items such as umbrellas and bags. They conducted socialization and training programs on unorganic waste for the community. They created a business model, a market, and built a brand image. Unilever made the Jakarta Green and Clean Program a community-based waste management program that involved community members to make a change.

• Complete materials can be found in the attached CD



Recycle Program Unilever Peduli Foundation
SUSTAINABLE DEVELOPMENT and CORPORATE RESPONSIBILITY



[Source : *Recycle Program Unilever Peduli Foundation, Maya Tamimi, 2008*]





Fransiskus Welirang

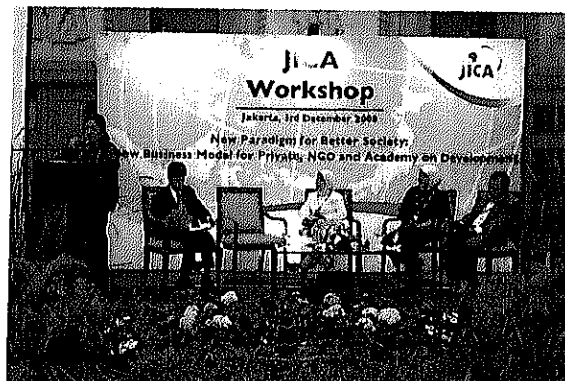
PT. Indofood

Based on World Bank and European Union's definition, Indofood defines CSR as follows:

- CR is equal with government regulation.
- CSR is beyond and above government regulation.
- CSR characteristic should empower, create independence, not just charity and money donation.

Indofood believes that CSR is part of corporate policy and commitment to ensure sustainability of business and community acceptance, through five pillars: human resources development, maintaining social cohesion, protecting the environment, strengthening economic value, and encouraging good corporate governance. Various programs have been done by Indofood under their CSR program. For example, development of SMEs, publishing "Wacana Mitra" as a tool for SME promotion, doing campaigns for healthy eating, issuing "Bogasari Mitra Card" for SMEs with member benefits, soft loan for farmers, village developments, etc.

• Complete materials can be found in the attached CD



Indofood's Sustainable CSR Program



[Provisional translation of presentation on "Indofood's Efforts on CSR" by Fransiskus Wellrang, 2008]

Session 1-2 : Private company's contribution

This session presented efforts done by private companies, their commitment on and how they benefit from CSR programs. Speakers consisted of representatives from Japanese, Indonesian and multinational companies to give an idea on the extent of variety CSR programs are being done.



Daniel Suhardiman

PT. Panasonic Manufacturing Indonesia

Panasonic's philosophy on CSR is "making a contribution to society through business as a public entity of society." By understanding that a company is a public entity of society, Panasonic tries to contribute to society throughout business activities as an advanced CSR company by creating sustainable and effective management (excellent in manufacturing), and sustainable society (excellent in CSR program).

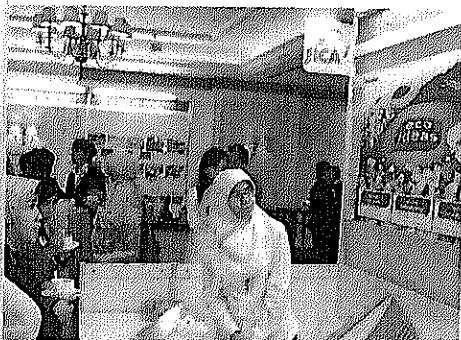
To realize a sustainable society, Panasonic carries out four CSR management practices: creating valuable products and services, contributing to a sound society, creating an excellent workplace, and co-existence with the global environment. With high global demand in mind, Panasonic understands 3 issues that appear in community, which are environment management process, compliance and strengthening information security. These represent the minimum standard for Panasonic's CSR process.

There are six initiatives in Panasonic's CSR activities:

- Co-existence with the global environment
- Corporate citizenship
- For a sound society
- Creating an excellent workplace
- Responsibility in products and services
- CSR procurement

Panasonic also have open dialogue and applies transparency to respond to stakeholder's expectations. They implement eco-friendly activities that not only promote their products but engage people around the world to participate in avoiding global warming.

• Complete materials can be found in the attached CD



Management Philosophy on CSR

“making a contribution to society through business as a public entity of society”

[Source : *Management Philosophy on CSR*, Daniel Suhardiman, 2008]

Three Key Initiatives

eco
ideas

“eco ideas” for Manufacturing

- Reduce CO₂ emissions by improving productivity
- Enhance resources conservation and waste reduction

“eco ideas” for Product

- Pursue energy-conserving product development
- Promote the use of environmentally-conscious materials and product recycling

“eco ideas” for Everybody, Everywhere

- Expand ecology with the international community
- Strengthen activities across international borders

[Source : *Management Philosophy on CSR*, Daniel Suhardiman, 2008]



Maria Nindita Radyati, PhD (candidate)

MM-CSR Program Coordinator, Trisakti University

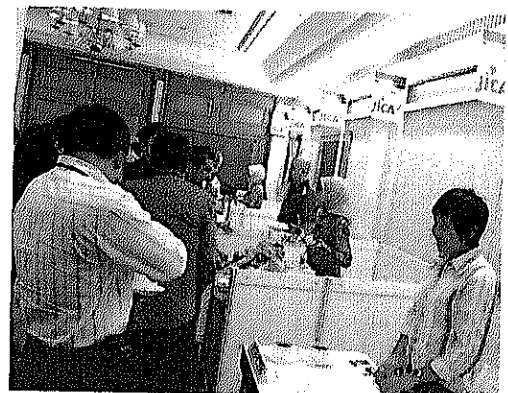
Maria conducted a 2-year research on CSR before finally getting approval from Ford Foundation to start the graduate program on CSR at Trisakti University where she teaches. Through this research, she learned that each country applies CSR somewhat different from each other, depending on the nature of businesses done in the country and understanding of CSR itself. In Indonesia, courses or trainings on CSR are very expensive, so only CEOs of large companies can afford them. Education or training on CSR is important because of the lack of understanding on the philosophy of CSR, the high cost of CSR trainings, the need for social compliance, among others.

Maria defines CSR as the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders. Social responsibility is not only for corporations but for all types of organizations so they can provide benefits for the community and the environment. To create the most effective output, there are two (2) characteristics of a good CSR program: it is related to the core business of the organization, and it is sustainable by the community receiving the assistance.

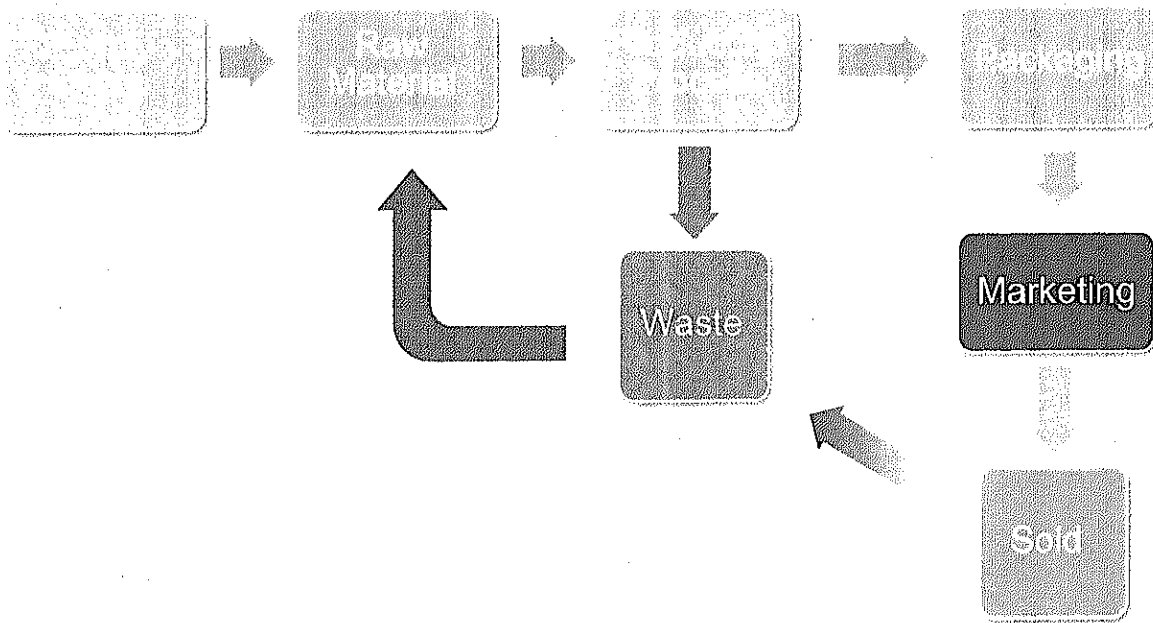
Conclusions that can be derived about CSR are:

- CSR is an investment, not cost
- CSR is strategic planning that involves all departments of the organization
- CSR is profitable in the long term as long as it is related to the core business of the organization
- CSR is not merely public relations or marketing tool
- It is imperative to change the mind set of the owner and CEOs of the organization

• Complete materials can be found in the attached CD



The example of CSR in a Manufacturing company



[Source : *Corporate Social Responsibility : A Brief Introduction*, Maria Nindita Radyati, PhD (candidate), 2008]



Objective Summary

Session 1 : Social Responsibility and Assistance for Sustainable Development

Session 1-1 : Policy Framework on CSR and Sustainable Development

In this session, the Government's contributions to community empowerment as well as assistance for facilitating private sector's CSR activities are delivered. The speakers will discuss regulations as well as education programs on CSR for the public.



I Wayan Dipta

Deputy for Research on Micro Small Medium Enterprises (MSME) Resources, State Ministry of Cooperatives, and Small Medium Enterprises

Dipta's office conducts various researches on utilizing MSME resources. He discovered that the general public tends to associate CSR with SME activities, linked to certain company policy, or appreciation for the community and environment as a form of committed contribution. In reality, CSR in a long-term period gives both direct and indirect benefit for the company, and sometimes it can be done beyond the terms set in existing laws or regulations.

Indonesia is the first country in the world to make the practice of CSR mandatory for private companies, amid the various protests even though the law is directed toward companies whose field of work utilize natural resources.

Although there are still issues to be settled, such as effective utilization of CSR funds, partnership programs between stakeholders, etc., there have been several Government initiatives linked to CSR and SMEs, such as:

1. Coordination meetings between the Government, major private companies, SMEs
2. SME trainings and apprenticeship programs
3. Major companies' allocation of CSR funds for SME products and their domestic and international promotion
4. Utilization of CSR funds to support research and development of SME products

• Complete materials can be found in the attached CD



Johnny P. Kusumo

Assistant Deputy for Environmental Education and Communication, State Ministry of Environment

Environmental responsibility should be borne by all citizens. However, conflicts of interest often arise between economic needs and utilizing natural resources. Companies work to obtain the biggest profit but not realizing that they have created negative impact on nature. The communities open forest lands for agriculture fields without realizing the greater impact of the destruction on themselves.

Various problems related to environment occur in Indonesia due to natural causes as well as minimum support for environmental authorities to uphold the supervision. The Central Government can suggest preventive measures, but the Local Government have their own regulation and authority in implementing them. New regulations are necessary that gives some authority to the Central Government to manage the implementation.

The most important thing is community awareness. It is important to build a community that care and willing to actively participate to achieve this goal to realize the three basic principals: profit, people and planet. The inclusion of these three principles should create better coordination among all stakeholders and achieve sustainable development.

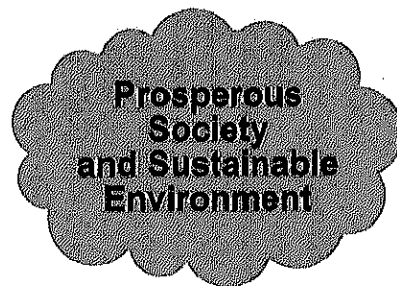
Based on the Law No. 40/2007 Article 74, it is mandatory for every industrial company who utilize natural resources to carry out CSR programs. CSR is a long term investment, but to have this program, a good synergy between company and government must exist. A combination of social and environmental responsibility and CSR can create a prosperous community and conserve the environment. Now the Government still continues to structure the application in order to give each stakeholder clear guideline on implementing CSR in Indonesia.

• Complete materials can be found in the attached CD

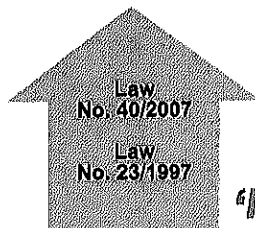
The State Ministry of Environment's Policy on CSR

'Voluntary'

CSR (Corporate Social Responsibility)

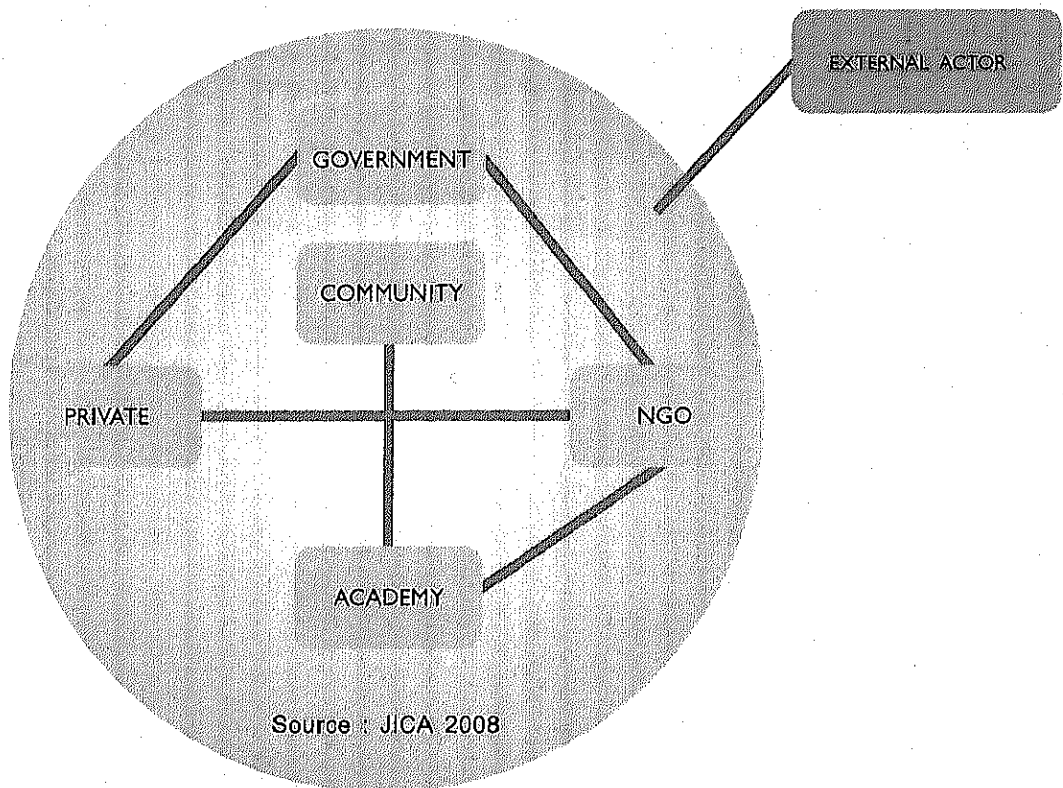


TJSL (Environment and Social Responsibility)



'Mandatory'

[Provisional translation of the presentation on "Kebijakan Kementerian Negara Lingkungan Hidup Di Bidang CSR" by Johny P. Kusumo, 2008]



In the long run, by utilizing a more established NGO Desk, JICA shall act as knowledge center on development based on JICA's new role as an information provider from direct provider toward knowledge provider, promoting initiatives on public-private partnership. It is expected that through a more hollistic and integrated collaboration, we can achieve the most effective result for the empowerment of the community, and JICA shall need to play a more active role based on the results of this workshop.

Program

08:00 - 08:30	Participants' registration
08:30 - 08:40	Opening Remarks by Suprpto, Head of Bureau for Technical Cooperation, State Secretariat (SEKNEG)
08:40 - 08:50	Opening Remarks by IYORI Makoto, Counsellor, Embassy of Japan
08:50 - 09:00	Opening Remarks and Welcome Speech by SAKAMOTO Takashi, Chief Representative, JICA
09:05 - 12:15	Session 1 - Social Responsibility and Assistance for Sustainable Development Moderator: Tri Mumpuni (IBEKA)
09:05 - 10:30	<u>Session 1-1. Policy Framework on CSR and Sustainable Development</u> <ol style="list-style-type: none"> 1. I Wayan Dipta, Deputy for Research on MSME Resources, SMOCSMEs: "Government's Initiatives and Activities in Promoting Corporate Social Responsibility for SME Development" 2. Johny P. Kusumo, Assistant Deputy for Community Participation and Organization, State Min. of Environment: "State Ministry of Environment's policy on CSR" 3. Maria Nindita Radyati, PhD (Candidate), Program Coordinator, USAKTI's MM-CSR: "Corporate Social Responsibility : An Introduction"
10:30 - 10:40	Short break
10:40 - 12:15	<u>Session 1-2. Private Company's Contribution</u> <ol style="list-style-type: none"> 1. Danlel Suhardiman, PT. Panasonic Manufacturing Indonesia: "Management Philosophy on CSR: Making a Contribution to Society through Business as a Public Entity of Society" 2. Maya Tamimi, PT. Unilever Indonesia: "Recycle Program Unilever Peduli Foundation" 3. Fransiscus Wellrang, PT. Indofood: "Indofood's Efforts on CSR" 4. Suharman Noerman, Corporate Forum for Community Development: "The Role of Corporate Forum for Community Development (CFCD) in Promoting CSR"
12:15 - 13:30	Break (lunch & praying)
13:30 - 16:00	Session 2 - Changes from Within and from Outside Moderator: Dr. J.P. Gentur Sutapa (UGM)
13:30 - 14:30	<u>Session 2-1. Lessons Learnt from NGOs, community organization, and academy</u> <ol style="list-style-type: none"> 1. Asep Dedy Sutrisno, Program Director, UNPAS: "Implementation of Standard, Good Post Harvest, and Product Diversification to Mango Fruit in Cirebon, Indramayu, Majalengka, and Kuningan Districts" 2. Dindin Komaruddin, Yayasan SEKAR: "Empowerment of Youths through Environmentally Friendly Entrepreneurship" 3. Mahir Takaka, Asosiasi Masyarakat Adat Nasional (AMAN): "Experience of the Community on Working with a Private Company"
14:40 - 14:50	Question and Answer
14:50 - 15:45	<u>Session 2 - 2. Wider Mobilization: Use of External Resources</u> <ol style="list-style-type: none"> 1. KUMAKURA Aya & UCHIDA Kisaku, Embassy of Japan: "Japan's Vision to Facilitate Cooperation between NGOs and CSR, Existing Cooperation with Indonesian NGOs/Institutions (GGP)" 2. Gi Soon Song, UNDP: "Growing Sustainable Business" 3. Paul Boon, AusAID's ACCESS Program: "Australian Community Development and Civil Society Strengthening Scheme (ACCESS) Phase II"
15:45 - 16:00	Short break
16:00 - 16:30	Session 3 - Wrap up and Closing Dr. J.P. Gentur Sutapa (UGM) and Dinur Krismasari (JICA)



II. Description of Workshop

Date: Wednesday, December 3, 2008

Venue: Ballroom A, 1st Floor Aryaduta Hotel, Jakarta

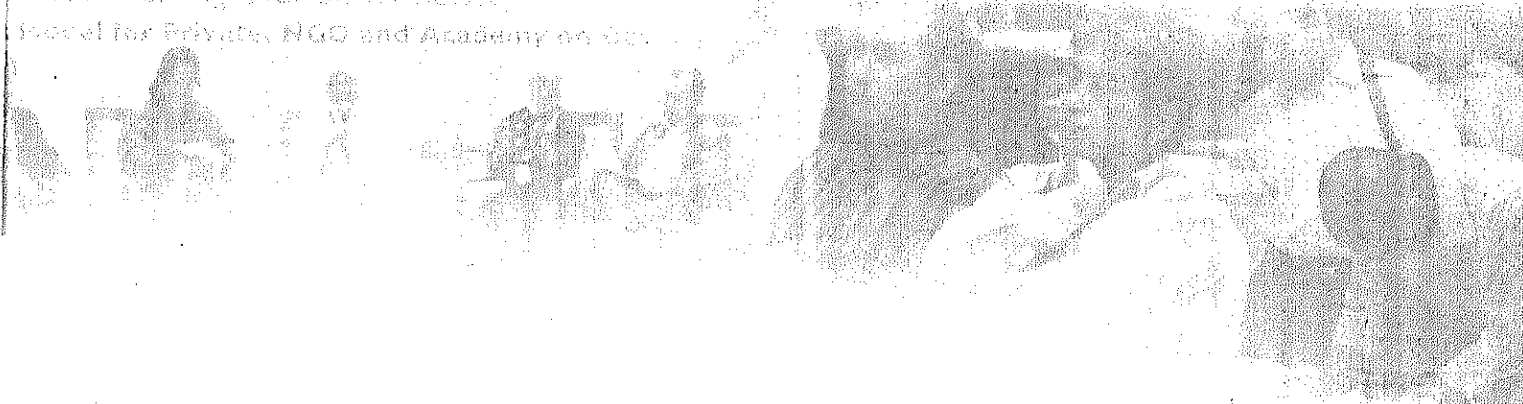
Summary

Japan International Cooperation Agency (JICA) as one of the international donors working in Indonesia has been conducting Community Empowerment Program (CEP) as part of its cooperation scheme that targets to directly support the people in the grassroots level through collaboration with Non-Governmental Organizations (NGOs). CEP aims to empower the people to help them in building their capacity for self-sufficient livelihood and welfare improvement for further contribution in increasing local economic and social development as well as reducing poverty.

Since the economic crisis in 1997, Indonesia's development process has been facing serious problems on eradicating poverty and impoverishment. International donor organizations, government, NGOs and community organizations as well as private companies are important stakeholders to address these priority issues. There has also been some initiatives taken by private companies through their Corporate Social Responsibility (CSR) programs to participate in this poverty alleviation effort. The Government, as the principal duty bearer on the fulfillment of economic, social, and cultural rights, has also put some efforts to facilitate private sector initiative to help tackle poverty.

Indonesia's 10-year reformation on human rights and democracy has created new challenges for international donors such as JICA to convert its primary function as direct providers of poverty alleviation programs to information and knowledge provider. Indonesia's economic growth in its current stage is also moving toward becoming a Middle Income Country (MIC).

To address this challenge, JICA organized a one-day workshop on December 3, 2008 that aimed to introduce experiences from various actors on community development and/or partnership, extract lessons-learned among participants, and think of partnership models to support the development of the



community. The workshop was officially opened by Mr. SAKAMOTO Takashi, Chief Representative of JICA Indonesia Office, with remarks from Mr. Suprpto, Head Bureau for Technical Cooperation, State Secretariat, and Mr. IYORI Makoto, Counsellor, Embassy of Japan. Speakers included the Government, private sector, NGOs, community organizations, academy, and other donors.

As a result of the workshop, we could obtain several ideas about collaboration models to empower the community. Mr. Suprpto mentioned in his speech that Indonesia is a vast and multi-cultured country, in which a successful approach in one region may not be appropriate for other areas. In Indonesia's current stage as MIC, the role of NGOs is deemed important as well as the need to broaden ways of cooperation to support development of the community. Various organizations do various forms of assistance in regions throughout the country, such as CEP by JICA, GSB by UNDP, CSR by private companies like PT. Unilever, Panasonic, and Indofood. Academic institutions such as Gajah Mada University (UGM) and Pasundan University (UNPAS) also give some contribution to the community through their resources. Although still debated, the Government of Indonesia has also enacted Law No. 40/2007 that makes it mandatory for companies whose work engage in the utilization of natural resources to implement CSR programs. Another form of contribution is an education program on CSR by Trisakti University.

Based on all of these modalities, the questions are how these methods can be better utilized, how we can take advantage of the existing resources, and how we can cooperate with each other to create the most effective programs. This becomes a challenge for JICA's future role in the development of Indonesian community. Through this workshop, JICA expects to build partnerships among NGOs, private sectors, academy, community organizations, donor organizations, and the Government in supporting community development. The underlying goal among any individual or organization working with the community is the same, which is to develop the grassroots community for the betterment of Indonesia. JICA's idea was illustrated through a diagram in which these stakeholders work together for the community.

