

Model of Community Development and Empowerment in the Mining Area

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Abstract

In Karimun Island, approximately 70% of local own-source revenue comes from the mining sector, both from mining taxes for rock and sand types as well as royalties and metal mineral sales taxes. Mining activities in Karimun Island are found on land and waters. Hence, in these two areas, the ecosystem is disturbed due to their activities. The purpose of this research is to discover the condition or implementation of community development and empowerment around Karimun Island's mining area. This research applied qualitative approach in which its data analysis began thoroughly by describing the facts revealed from the results, and emphasized its analysis on the process of deductive and inductive inductees. The results show that the implementation of community development and empowerment programs around the mine applied previously prioritized local wisdom. Meanwhile, based on government regulation decree, it shows that the Provincial Government of Riau Islands has not had a blueprint and a master plan for community development and empowerment in accordance with the mandate in Regulation of the Minister of Education and Culture No. 25 of 2018.

Keywords: Sustainable development and empowerment on target, law, mining.

JEL Classification: JEL K32

Introduction

Mining industry is one of the industries that attract a lot of public attention. Aside from being a capital-intensive industry, it is also technology intensive and if it has produced something it will also generate a considerable profit. It is quite complicated with all its problems, from pre-operation, operation to post-mining. Mining scopes a wide range of activities such as management of minerals or coal which includes general investigation, exploration, feasibility studies, construction, mining, processing and refining, transportation and sales, as well as post-mining activities. Simply put, mining is dismantling or disassembling material from beneath the layer of the Earth's plates (Valuable minerals) to be separated and used as natural resources.

The management of natural resource is controlled by the government in accordance with Article 33 Paragraph 3 of the Constitution of the Republic of Indonesia of 1945: "The earth and water and natural resource contained therein are controlled by the state and used for the greatest prosperity of the people". It means that the greatest prosperity will only be achieved if the efforts to reach it are based on sustainable and environmentally sound principles¹² such as environmental management.

Environmental management is an effort to achieve compliance with the rules and requirements in the implementation of law in general and individual, through supervision and application (threats of administrative, civil, and criminal facilities). In accordance with the rules of Environmental Administration Law, it will be a development of government functions in the

¹S. Arifin, *Legal Aspects of Environmental Protection and Management*, Modul I (Medan: Medan Area University Press, 2014), p. 6.

²S. Bambang, MURP, *Breakthrough Strategic Environmental Study in Environmental Management*, (Jakarta: KMNLH, 2009) p. 2.

field of environmental management³⁴. One of them is the implementation of Corporate Social Responsibility (CSR).

The responsibility of the above mining companies applies to all regions of Indonesia including the Karimun Island as a region that produces natural resources. The implementation of CD (Community Development) in Tanjung Balai Karimun has changed again with the removal of Regent Regulation No. 6. A of 2012 which at the time of entry into force gives authority to the community to develop the necessary programs and interests as a party that receives the environmental impact of mining company activities. The authority granted by Regent Regulation No. 6. A of 2012 to the community in its implementation is expected to give freedom to the community to run the program planned by themselves is widely indicated not in accordance with the submission of the program to the company. This is because the company only provides funding assistance to the community in accordance with the submission of community programs. Weak supervision and vulnerable systems resulted in CD funding assistance programs not running in accordance with the provisions of the Act. Changes in implementation stipulated from Law No. 4 of 2009 concerning Mineral and Coal Mining in Article 39 Paragraph 2 namely "The company is obliged to load or submit a plan of development and empowerment of communities around the mine area" which changed the mechanism of implementation with the issuance of Regent Regulation No. 6. A of 2012 concerning Community Development and Empowerment Team by transferring planning to the community instead of the company causing legal disputes and legal responsibilities to the party that issued the legal provisions.

The re-enactment of Law No. 4 of 2009 concerning Mineral and Coal Mining in Article 39 Paragraph 2 which requires companies to develop and run programs is expected to be able to improve the system that has been in place before. This is due to the issuance of Karimun Regent Regulation No. 2 of 2013 concerning the

Revocation of Regent Regulation No. 6.A of 2012 concerning Community Development and Empowerment Team of Karimun Island Mining Sector. Therefore, field research is needed on the implementation of legal provisions concerning community empowerment around mining in Karimun Island.

Based on the background, the author desires to research further and conduct research entitled "Model of Community Development and Empowerment around the Mine (Case Study of Mining Area in Karimun Island)" to delve deeper into the aforementioned problems.

I. Literature Review

CSR (Corporate Social Responsibility)

Generally, CSR is an earnest effort of business agents to minimize negative impacts and maximize the positive impact of their operations on all stakeholders in the economic, social and environmental spheres to achieve sustainable development goals. It is a business commitment to behave ethically and contribute to sustainable economic development through cooperation with all stakeholders to improve their lives in a way that benefits businesses, sustainable development agendas and people in general. In carrying out its social responsibility, the company focuses its attention on 3 things, namely profit, environment, and society.⁵

Two goals to be achieved are community capacity goals and welfare goals. The first goal is the capacity of the community can be achieved through empowerment efforts so that members of the community can participate in the production process or supporting institutions in the production process, equity by not distinguishing status and expertise, security, sustainability and cooperation, all of which run simultaneously. This target avoids the existence of a market structure dominated by a number of consumers who have control.⁶

According to Jorg Andriof and Alyson Warhurst in Jalal (2013), CSR development is moving

³N. Suparni, *Preservation Management and Enforcement law milieu*. (Jakarta: Light Graphs, 1992), p. 160.

⁴ M. Erwin, *Environmental Law*, (Bandung: Pt. Rafika Aditama, 2008), p. 13.

⁵ S. Urip, *CSR Strategy Corporate social responsibility to improve the competitiveness of companies in emerging markets*. Print I. (Tangerang: Literati. 2014), p. 8.

⁶ Wiradiputra, D. *Introduction to Indonesian Competition Law*. (Jakarta: UI. 2005), p. 211.

from phase one, where the company is aware of problems after certain events, especially those protested by the community (1960–1983). Phase two is marked by companies beginning to manage the impact of these events (1984–1994). Phase three is characterized by cooperation of the company with other companies or other sectors to prevent future adverse events (1995–present).

From various studies, the implementation of CSR in foreign countries shows that multinational companies in the implementation of CSR have a vary although eventually these companies tend to adapt to the situation and conditions of local communities. Research in Finland, key stakeholders, especially employees and representatives of multinational companies (MNC), looked at different social aspects of CSR. The Corporation understands CSR from a global business perspective as a responsibility to provide economic competitiveness and profitability to shareholders, while employees do not agree with the demands of profitability from shareholders. Employees through officials and union leaders called on corporations to demonstrate local and social responsibility.⁷

CD (Community Development)

One of CSR programs in the mining sector is Community Development (CD). It can be defined as activities directed to enlarge public access to achieve better socio-economic-cultural conditions compared to before the development activities. Community Development program has three main characters, namely community-based, local resource-based and sustainability.

CD consists of Community Relation which is the development of understanding through communication and information to stakeholders, which is generally done to the local community and local government, then Community Service is a program of providing assistance related to community services or the public interest including assistance for natural disasters, public

infrastructure assistance including places of worship and improved health for the local community. Next is community empowering, which is an effort to empower the community so that it has good access to support its independence. The last is a conservation or conservation program that is greening by empowering local communities so that it can increase the income of farmers or farmers.

Provisions on mine management have been stipulated in Law Number 4 Year 2009 concerning Mineral and Coal Mining in Article 39 Paragraph 2 namely "The Company is obliged to load or submit a plan of development and empowerment of communities around the mine area".

The obligation of mining companies to empower the surrounding community is a form of responsibility for the welfare of the local community around its operations. The establishment of a prosperous local community is a bridge to realize one of the company's objectives, namely strengthening partnerships and cooperation with the government, employees and local communities.

According to Jeremy Bentham it is the responsibility of the state to ensure all its citizens achieve happiness. All government activities should be pursued and directed to increase happiness (well-being) as many people as possible by using the grand theory of utilitarianism from Bentham which states that the essence of happiness is the enjoyment of a life free from misery. State responsibility is given in the legal context according to two principles, namely justice and benefits or benefits.⁸⁹

This empowerment function also makes proper cooperation between companies and communities always participate in regional development by building a community structure that is powerless to be more empowered in creating self-reliance and welfare of local communities. With the aim to establish a harmonious relationship with stakeholders,

⁷ I. Siregar, "implementation *Corporate Social Responsibility* towards Empowerment community Welfare Society, and Corporate Image of PT Vale Indonesia Tbk at Sorowako district Nuha island Luwu East". (Dissertation program doctor science economics university Hasanuddin, Makassar, 2007), p. 3.

⁸ Idham, *Consolidation of Urban Land in Effectiveness Regional Autonomy to Strengthen the Sovereignty of the People and State Welfare* (Bandung: Alumni, 2014), p. 20.

⁹ R. T. Erwin, *Legal Philosophy FAQ*, (Jakarta: New Script, 1983), p. 10.

based on belief, mutual trust, togetherness and mutual benefit.

The outline and objectives of each community empowerment program always apply the CD strategy, namely:

- 1) Building partnerships based on mutual benefit between companies, communities, governments and partners;
- 2) Coexist with the community, harmonious and trust each other where the company operates;
- 3) Building community empowerment in order to manage and develop the potential of local resources;
- 4) Community-based and local resources;
- 5) Implementing the principles of Community Development; and
- 6) Preparing for the independence of the post-mining community.

Community development provides financial support and technical assistance that aims to help improve the living standards of the surrounding community by forming a program that makes an integral part in realizing the success of the company. Therefore, it is necessary to formulate this program into the following areas:

- 1) Improving public health;
- 2) Improving access to quality education;
- 3) Encourage infrastructure development;
- 4) Economic improvement;
- 5) Socio-cultural;
- 6) Relationships with stakeholder communities;
- 7) Environmental preservation.

Mine Management

Management of natural resource is given and used for the public welfare. Based on the prevailing law, the State has the right to distribute its authority regarding the management of natural resource to private and foreign parties.

Mining materials as mining objects have unrenewable main properties. They are available in forests, rice fields, in rivers, under the sea, in the mountains, and other places. On a large

¹⁰ Abdurrahman, *Introduction law milieu Indonesian*, (Bandung: Alumni, 1983) p. 95

¹¹ V. A. Wardhana, *Environmental Pollution Impacts*, (Yogyakarta: Andi, 1995), p. 43.

scale, mining business has the following characteristics:

- 1) Long period of business, except for mining materials group C;
- 2) Capital intensive;
- 3) Solid technology, requires high technology in performing the operations.
- 4) High risk to occupational safety and the environment.

The implementation of mine management should minimize environmental problems that may arise from its operation. The management of a good mine relies on the rules of mining development that meets the standards of the Decree of the Minister of Mining and Energy of the Republic of Indonesia which is divided into:

- 1) Internal responsibility: Protection against accidents that may occur in mining should also be maximized by optimizing standard operating procedures for occupational safety and health (K3) for workers, so as not to cause harm to the company or to the workers themselves; and
- 2) External responsibilities: People often mix between the notion of pollution and environmental destruction when in fact, there are differences between the two. The law also distinguishes them. Therefore, it is important for us to maintain health in the mining environment. One of the solutions that can be applied to maintain workers health is planting trees around the mining environment. Environmental health based on dependence or mutual influence can form a system. If the mining development procedure has been followed properly, the K3 procedure has been done optimally and environmental health has been implemented, then pollution or disease that may arise from the mining environment can be minimized or eliminated.¹⁰¹¹¹²

2. Methodology

Types of Research

The types of this research are:

- 1) Normative Law Research: Legal research conducted by examining library

¹² K. Hardjosoemantri, *Environmental Law*, (Yogyakarta: Gadjahmada University Press, 2002), p.100

materials or secondary data as the basic material to be researched by conducting a search of the rules and literature related to the problem being studied.¹³

2) Empirical Law Research: A literature approach based on rules, books or legal literature and materials that have a relationship of problems and discussions.¹⁴

Approaches

Approaches used in this research are:

1) Quantitative Approach: The use of methods that are of positivism, one of which is the case approach that is done by conducting a study or review of cases related to the issue faced, and has become a court ruling that has had a fixed legal force.

2) Qualitative Approach: The type of approach that results in discoveries that cannot be achieved using statistical procedures or by other quantification methods such as samples and respondents to the parties involved in the thesis research.¹⁵

Data Analysis

To analyze the data, the researcher used qualitative approach, namely data analysis begins thoroughly by describing the facts revealed from the results of the study, and emphasizes its analysis on the process of deductive and inductive inductees. The results of the analysis in a deduction and induction will be interpreted according to the subject matter, so that an objective conclusion can be drawn to be

described clearly and straightforwardly as an answer to the problem that is the focus of the discussion.

3. Case Studies

3.1 Comparison of Model of Development and Community Empowerment of District Regulation with Regulation of the Minister of Energy and Mineral Resources

3.1.1 Results of Implementation of Community Development and Empowerment Model based on Karimun Island Regulation

In the implementation of community development and empowerment programs around the mine applied previously prioritized local wisdom. Why so, because in its implementation always prioritize deliberation and consensus in accordance with the socio-cultural conditions at that time. In making decisions, the opinions of community leaders and indigenous peoples are still considered necessary so that when this program is carried out there are no obstacles in the field.

In determining the amount of cost allocation in the management of development and community empowerment, each company is adjusted to the amount of production of sales results, namely per tonnage of products sold or exported. This is based on the Decree of the Regent of Karimun No. 138 of 2009 concerning Regional Development and Community Development Fund (DKPWPM) Karimun island. With the decision letter of Karimun regent, the amount of budget allocation for the implementation of community development and differentiation program becomes measurable.

Table 1. DKPWPM funds based on tonnage

¹³ S. Soekanto and S. Mamudji, *research law Normative (one review brief)*, (Jakarta: hawk Press, 2001), p. 13-14.

¹⁴ R. H. Soemitro, *methodology research Laws and Jurimetry*, (Jakarta, Ghalia Indonesia, 2001), p. 10.

¹⁵ Burhan, Bungin, *methodology research Qualitative and Quantitative*. (Yogyakarta: Elephant mad Press, 2001), p. 4.

No.	Types of Excavation Materials	Unit	DKTM	
			Local (Within Karimun District)	(Export / Outside the Region of Karimun)
1	Granite	ton	2.000	2.500
2	Tin	ton	400.000	450.000
3	Bauxite	ton	3.500	2.500
4	Land Sand	ton	2.000	
5	Sea Sand	M3	1.000	

Source: Decree of the Regent of Karimun Number 138 Year 2009 concerning DKPWPM Karimun Island

It is also conveyed that in encouraging special investment interest in the need for sea sand for development in Karimun Island, the amount of Regional Development and Community Development Awareness Fund (DKPWPM) is Rp. 500,-/M³. With this rule, the government and the community can discover the amount of budget for community development and empowerment programs every year before the activities are realized. The reason is because before starting its activities in the beginning of the current year, the company must deliver a work plan and cost budget at the end of the previous year. In the presentation of the document, production and sales plans should be submitted, so that the amount of mining funds and community empowerment for the community in the area of the mine becomes clear.

In this determination, the government and the public are quite facilitated, so there is no longer justice and ability of the company because the cost is the same as the tax. However, there is a problem with this measurement and it comes from society. It is because society seems to think that the cost is their full right, and the community has calculated for itself the amount of funds that the company will realize for them. For example, if in one village there are two mining companies with production or sales of exports that reaches three million tons in a year, then the community's funds in the company have reached 7.5 billion Rupiah. With such a big fund for one village, the community submit their

proposals altogether a variety of activities although sometimes the activity is not very Important. Yet, the company still accommodates them because the fund is based on the results of the tonnage calculation. On the field, there are many fundings they ask for and realized but not in accordance with what is expected and there is even a realization that only reaches 20% of the target. However, the funds have been allocated for the development and empowerment of the community. For the company, the funds are absorbed with evidence of requirement and disbursement of funds received by the Society. The society is happy and the company is not affected in its production activities.

To realize the entire program of community development and empowerment, there is a special team formed by the Karimun district government, namely the Regional Development and Community Development Center Team. This is in accordance with Karimun Regent Regulation No. 18 of 2009 concerning Guidelines for Regional Development and Community Development Center Teams. In article 2 it is conveyed that in order to accelerate the distribution, the improvement of services and the utilization of concern funds from mining companies for regional development and community development, there needs to be a team of regional development and community development centers based in Karimun Island. In carrying out its duties, the central team of regional development and community development of Karimun Island is assisted by the regional development team and the development of village/village communities. In article 3, this team is directly responsible to the Regent of Karimun and/or mining companies. The team is led by a chairman. The position of

team leader was appointed and dismissed based on the decree of the Regent of Karimun.

The purpose of establishing a central team of regional development and community development is to channel awareness funds for regional development and community development in a container to be more effective and efficient in service to the community. The program of the central team of regional development and community development in empowering the community has to meet the basic needs of the community in improving human resources, public health, and the economy of society.

The tasks of the formation of this team are as follows;

1. Set the region,
 - a. Village/Village producer
 - b. Villages/Villages that are directly adjacent to the village/village producers
 - c. Village/village outside point a and b
2. Fund awareness of regional development and community development.
3. Receive, evaluate and establish program proposals from the regional development and community development teams of villages/villages.
4. Conveying the allocation or allocation of funds to each of the regional development teams and the development of village/village communities.
5. Receive, evaluate and analyze proposals from the regional development team and village/village community development in accordance with the planned activities and allocation of funds set.
6. If deemed necessary, Karimun Island central team of regional development and community development will conduct a field review of the proposed activities that have been carried out by the regional development team and the development of village/village communities.
7. Evaluate and analyze the proposals of the proposed activities submitted by;
 - a. Community groups

- b. Mining companies
- c. Local government
- d. Central team of regional development and community development
8. Make news of disbursement of funds against approved proposals.
9. Submit a letter of recommendation for disbursement of funds to mining companies.
10. Channeling funds for regional development and community development.
11. Report the results of activities to the Regent of Karimun and or mining companies in Karimun Island.

The regional development and community development center team allocates 25% of funds to support the operational activities of the regional development center team, Karimun Island community development, regional development team and village/village community development, other supporting work facilities and accommodate programs from local governments, companies and programs people who are not accommodated by the regional development team, the development of producing villages/villages and from villages directly adjacent to the producing villages/villages and programs. It is 25% of the total funds collected in accordance with the total tonnage of production sold. Regarding to from this explanation, it means that the funds raised are realized to the community by 75%.

Over time, there is a change in the rule of the initial portion of the team's operating costs from 25% to 20% only. In addition, the new one emphasizes more on the portion of villages/villages producing and which are directly adjacent. This is stated in the Regulation of the Regent of Karimun No. 6A Year 2012 on The Development and Community Empowerment of the Mining Sector Karimun in Article 7 conveys the allocation of funds development and community empowerment mining sector is as follows:

1. 80% of the funds is for community empowerment development program with following details;
 - a. Producing villages/villages get 45% (forty-five hundredths) of funds from

community development and empowerment programs.

b. Villages/villages that are directly adjacent to the producing villages/villages get 15% of funds (fifteen hundredths) obtained from the funding of community development and empowerment programs.

c. Villages/villages outside the letter a and letter b are in the karimun district get 40% of funds (forty hundredths) obtained from community development and empowerment program funds.

2. 20% of the fund is for operational fund and activities of community development and empowerment team with following details;

3. The implementation of the Community Development and Empowerment Team program.

4. Operational Development and Community Empowerment Team.

Referring to the Regulation of the Minister of Energy and Mineral Resources No. 25 of 2018 concerning Mineral and Coal Mining Business, this is no longer appropriate since it negates the Minister of Energy and Mineral Resources' regulation. Measuring the cost for implementing development programs and community empowerment is not based on production/sales tonnage but rather on fairness that must be budgeted. The rule also conveys that the implementation of the budget distribution costs for implementing development programs and community empowerment is carried out directly by the company so that the funds can be 100% fully absorbed for the community. In the Karimun Regent Regulation, funds are disbursed up to 20% just to finance the team in channeling the cost so that this is less efficient.

There are other things that are not good in this model other than what is mentioned above, including:

1. The coercion of will concerns the distribution of funds: The community expects the implementation of CD (*Community Development*) to provide direct assistance in the form of funding (money) to the community. The community still considers that financial provision is a company's mandatory assistance when the company runs a program from the

government. This difference in perception is based on the lack of public understanding of the legal provisions concerning CD (*Community Development*). For example, the provision of health assistance provided is physical goods instead of the distribution of funds for the purchase of goods to the community.

2. There is a public perception that has an understanding that the CD fund (*Community Development*) provided by the company is a community fund and the company is the distributor of the funds. It means the community assumes that the Granted fund is the cost of compensation for the use of locations around the community used for mining. As a cost of compensation, the use of funds provided by the company is the full right of the community in its use without having to be used for development and empowerment but for the benefit of each individual community

3. Conflicts of Interest: The conflict between the villages's TPWPM and the community, which hinders the process of formulating and determining activity plans

4. Change of Activities: There are still some activities carried out on the field undergoing changes than previously planned. There are even activities that absorb 100% of the det budget but not realized at all.

5. Mindset Change Caused by Channeling Changes: There are still some communities, especially producing regions, that have not been able to fully accept the change in the mechanism for implementing of community development and empowerment programs through Regent Regulation No. 6 A of 2012 because it has formed a *mind side* for the old mechanism. According to Romainur, the implementation of community *development* with reference to Regent Regulation No. 6. A Year 2012 gives a gap to the community not to implement what has been agreed in the program itself. This is because the funds for the management of *community development* funds are given directly to the community and managed by the community itself. However, educational and health programs have been running well. The

only problem lays on the community's lack in economic aspects.¹⁶

3.1.2 The results of the Implementation of the Community Development and Empowerment Model based on the Decree of the Minister of Energy and Mineral Resources Number: 1824K/30/MEM/2018 on Guidelines for Implementation of Community Development and Empowerment

The particular regulation becomes a guideline for implementing community development and empowerment program. There are also blueprint and master plan of the community development and empowerment. The blueprint describes about the Index of human development, economic communities around the mine, socio-cultural and environmental society, institutional community communities, and infrastructure around the mine.

In this *blueprint* also contained government *goals* for their programs. Community development and empowerment made by mining business entities including work plans and persons in charge of activities synchronized with the documents of spatial plans (RTRW) and post-mining plans (RPT).

The guidance document of the master plan of development and community empowerment describes the existence of the company, stakeholders involved, beneficiaries, program activities ranging from production to post-mining, location of activities, implementation time and financing plan. The beneficiaries in this case are divided into three areas or *rings*, namely *ring 1* to *ring 3*. *Ring 1* is where the company has a high frequency of relationships with the company. It scopes one or more villages or livelihood areas affected by the company's activities, both environmentally and socially, based on baseline studies (Introduction) and AMDAL (Analysis of environmental impacts). *Ring 2* Includes direct environmental impacts of mining activities of mining activities, the location of the company's main facilities, where the community has moderate relationships with the company. It scopes one or more villages or livelihood areas affected by the company's

activities, both environmentally and socially, based on baseline studies (Introduction) and AMDAL (Analysis of environmental impacts) but still within the scope of the administration of the same district as *ring 1*. While *ring 3* includes the place directly affected by mining activities, the location of the company's main facilities, where the community has a low frequency of relationship with the company. The scope is one or more districts where there are community groups that are indirectly affected by the company's operations within the same provincial scope as *ring 1* and *ring 2* or national scope.

However, the problem here is that the Provincial Government of Riau Islands does not yet have a blue print and a master plan for community development and empowerment in accordance with the mandate in Regulation of the Minister of Education and Culture No. 25 of 2018 concerning Electronic Ally Integrated Business Licensing of the Education and Culture Sector and the Decree of the Minister of Energy and Mineral Resources Number: 1824K/30/MEM/2018 concerning Guidelines for Implementation of Development and Community Empowerment so that the perpetrators of the mining company submit a program plan for community development and empowerment. The program is delivered in the company's work plan document and cost budget annually. If viewed thoroughly, the program that has been implemented in a continuous program with the same title. In other words, no program gives a long-term effect for community change to be better when the mining company closes. This program is more likely to be the routine needs of the community in some programs, namely educational programs, health, and the populist economy, infrastructure, institutional strengthening. Each program consists of several budget allocation items, namely:

1. Education
 - 1) School Registration Assistance, namely Elementary School (SD), Junior High School (SMP), High School (SMA), and College.
 - 2) Monthly tuition fees for elementary, junior high, high school, and tuition fees.

¹⁶ Information Intended Retrieved by result interview with Romainur As kepala Dsingle Ppoll, Sub-district

of West Meral, District of Karimun, Monday 11 A.D. Ei hit 8.00 am at the office head village Pangke.

- 3) Outstanding (Disabled) student scholarships
 - 4) Operational costs of school support, such as school children's shuttle bus, and
 - 5) The cost of non-formal education such as TPQ, training – training that is considered necessary for the community.
2. Health
 - 1) Integrated Health Service Post (POSYANDU)
 - 2) Village ambulance operations
 - 3) The cost of community medicine and childbirth.
 3. Populist economy
 - 1) BumDes venture capital assistance
 - 2) MSME venture capital assistance
 - 3) Development and capital assistance for fishermen.
 - 4) Assistance for farmers in the form of seeds, fertilizer, and livestock
 4. Infrastructure
 - 1) Cementing the community's roads
 - 2) Bridges or sewers
 - 3) Streetlights and streetlight maintenance
 - 4) House of worship care
 - 5) Village-owned building maintenance
 5. Institutional strengthening: Supporting proposals from the community for sports activities and so on.

Looking at all the community development and empowerment programs around the mine that the company realized, it has included part of the program specified in the blueprint and master plan. Whether or not it is on target, the answer is on target but not maximized. Looking back at the existing regulations in Karimun Island related to the development and empowerment of the community, namely concerning the number of costs calculated based on tonnage has existed since 2007. It means that the funds are quite large given to the community. However, the change in people's lives for the better is not very

significant. There has not been seen a development of human resources that dominates so that it boosts the economy of the community for a long term and also the reputation of the region because of the success of human resources sourced from the development and empowerment of the community by mining companies. According to Akbar's brother, who is one of the employees of the mining company that distributes funds for the development and empowerment of the community around the operational area of the company, the community development, and empowerment program that has been implemented has not been maximized. It means that the number of funds provided when compared to the results incomparable. However, the program implemented is under the request of the community that every year is almost the same. From this narrative, when the company has ceased operations due to the depletion of reserves, the socioeconomic community will be disrupted because until now the dependence of the community on the fund is very high. It is never enough because it is needed like blood transfusions. It can be prepared by providing an innovative program in the development. This is where it takes legal protection that can accommodate it so that the funds that have been prepared by the company under its obligations based on the rules that have been determined are beneficial for a long term and sustainable, it is expected that when the company closes the community economy remains stable and increasing.

3.2 Expected Community Development and Empowerment Model

Karimun Island is an archipelago district consisting of large and small islands. Karimun Island currently consists of 250 islands, of which all islands have been named and only 57 islands are already inhabited. The two largest islands that become the center of the settlement and economic center are Karimun and Kundur Islands. The outermost islands in Karimun Island are Karimun Anak Island and Lyu Kecil Island. It has an area of 7,984 km², with a land area of 1,524 km² (19%) and an ocean area of 6,460 km² (81%). With the geographical district islands and the area of the waters is much wider, then it means people's lives are not separated from the sea (i.e fishermen). The locals' residences are organized and small islands. The

majority of these people build their residences on the water or the beach. This is to facilitate their access to the sea and also to facilitate the placing of fishing equipment in the form of boats. With the house above the sea (Seashore), it will be easy to tether the boat after the search for fish. The number of fishermen is currently 10,155 and fishermen laborers numbered 1,137 people, bringing the total to 11,292.¹⁷ Fishermen in addition to being marketed in Karimun Island, are quite large also exported to Singapore and Malaysia, as well as other regions such as Batam. Karimun people are not so familiar with farming. This can be seen with the many sleeping areas and rubber plantations and the like are abandoned. People are very familiar with being fishermen. When viewed from the daily life of the people in this area, many coffee shops and stalls are full. According to Prof. DR. Firdaus LN, M.Si. Karimun people who are native Malays who are similar to Malaysia, Deli (Medan), Singapore, and Dabo, mostly depend on their livings in the sea, one of which is as a fisherman. When they have sailed or just arrived from the sea for fishing, then they will be a few days on the ground waiting for the time to leave back to sea. On the land, they spend a lot of time joking and at the same time socialize in the coffee shop so that this becomes cultured. However, the topic of this paper is not the coffee shop but the profession of the people who depend on the sea or become fishermen.

Currently, mining activities have been leading to the sea, such as sea sand mining which 15 years ago was the *prima donna* as. It was a very huge foreign exchange producer at that time because the sea sand was exported to Singapore, tin mines in the sea. Regarding to the sea sand reserves in Riau Islands province, especially Karimun Island, the reserves will not run out as long as there are still ocean currents. The sea currents of Karimun flow from Thailand, Malaysia, Singapore, Karimun to the coast of Riau mainland. These currents occur due to the tides that occur twice a day with the tidal height approximately ± 4 meters. Thus, when the sea sand is utilized, in a short time it will be replenished. Similarly, the reserves of tin metal (Sn), based on gabesa minerals, the land and waters of Karimun are very rich in lead metal. It

it is based on an ancient river which upstreamed from Thailand, passing through Malaysia, Singapore, Riau Islands namely Karimun and Dabo Singkep, that ended in Bangka Belitung and partly West Kalimantan. With mining activities in the sea and the fact that the mining area is still in the zone of the fishing area it is certain that fishermen's lives will be disturbed. Fishes will move to other countries because the area will be murky and the coral where the fish lays eggs will be damaged so that there is no place for fish to lay eggs. This change must be really taken into account carefully so that people's lives will remain good when they are no longer at sea.

3.2.1 Unbalanced regulation of development and empowerment of communities around the mine

When Law No. 23 of 2014 on Local Government is invited, then the authority of the District/City government to manage the field of Energy and Mineral Resources has been transferred entirely to provincial and central government except geothermal when utilized directly. The position of the District/City in the management of the field of Energy and Mineral Resources is only as a virtuous audience because in ensuring the comfortable condition of its citizens to mining activities are not allowed, especially related to the preparation and supervision of the implementation of community development and empowerment programs with budget allocation sourced from mining companies. Ironically a Regent/Mayor, who is directly elected by the community to be the leader, cannot be involved in putting together a program or supervising the program whether it has been in accordance with the needs of its citizens or not. In this case, the central government or executive, along with legislative, should be more observant and sensitive to the needs of the actual community. Problems in the District/City is certainly more controlled by the Regent/Mayor because of the role of the clap and village that is in direct contact with the community and responsible to the Regent/Mayor. How can it be possible that all will be well accommodated when the blue

¹⁷ Service Population and Recording Civil Island Karimun Population Island Karimun Semester I year 2019, 2019

print and Community Development and Empowerment Master Plan are carried out by the provincial government and authorized by the Ministry of Energy and Mineral Resources through the Director General of Minerals and Coal then applied in the middle of the community around the mine in a village in a District/City? Whereas it is clearly an absolute authority by the head of the district /city level to prosper the community in its territory.

3.2.2 Efficiency of Community Development and Empowerment Program

If you look at the community development and empowerment program around the mine that has been carried out, it is still not maximal because it seems that the huge costs that have been given by the company in the management of this activity impressed such as a substitute for a moment's income to survive and send children to high school after it is completed. Many of the programs implemented are supposed to be a portion of the government but enter financing from the development and empowerment of the community, these activities such as road cementization, school building repairs, the construction of village-level government offices, renovating government buildings along with other offices in the area, and provide equipment for vehicles transporting for cleanliness in district level. As long as this need should be sourced from region budget (APBD) and state budget (APBN) instead of from the development and empowerment fund of the community that already arranged its allocation because this fund is a corporate social responsibility to the community that is mandatory with the aim of welfare and smarting the community.

If studied from all programs contained in the Decree of the Minister of Energy and Mineral Resources Number: 1824K/30/MEM/2018 on Guidelines for Implementation of Community Development and Empowerment that become the legal basis for companies when drafting programs will be applied in the middle of the community, when the implementation of community development and empowerment programs around the mine is really carried out properly, sustainably, boosting the economy of the community because of its efforts or because it is qualified human resources as a result of the

development of the company, then the presence of the mining company will be more welcomed by the community and the possibility of the presence of the same company will coveted. Although the company will close later after the reserves run out, it will not affect the economy of the community because the economy of the community lives when the company operates not just the working community who are pressed so that wages can thus rotate economy.

From the program deep plan appropriate Kepmen ESDM 1824 and realization for this, it is necessary for Affirmation Field that programs that should become bear answer Fully Done by government with use budget APBD or Budget so that fund get more focused at development source power human that more systemized, planned and sustainable with dig hobby or talents each community become one skill that qualified until deliver it become better again. for example, fisherman that not again seafaring to look for fish because the fishing zone already changed into mining area, so fishermen gathered and divide based on respective abilities and interests. For instance, the aforementioned fisherman is enjoying fixing shoes, so are others from community about mine educate them about this designing shoe, making shoe. Making shoe not merely know how to make shoe, but they are able to compete with famous shoemakers from well-renowned so that the products can enter domestic market and even go international. Also, give Learning Networking so that the product product Loafer can be marketed. Also provide marketing management when they start the aforementioned entrepreneurship, How to get necessary funds, either from government or other institutions, for financing any development. Hence, when they have become capable shoemakers like the famous ones, they will be able to create new job vacancies. However, in doing this, they need time and cost, bringing experts for deep coaching, building program Learning that planning, building their own workshops, building learning facilities. Those activities are considered as nonformal and informal education although to be more precise, it is actually a firm. Hence, law of payment is necessary. Considering that, these activities are continuous, affordable, and needing professional management, they need a consortium for all the firms. Remember that the communities that attend the program have

different backgrounds and ages, and that the only similar thing is their goal, which is success, in spite of limited education. Thus, the gathering called “Sekolah Rakyat.” Remember, In this case, “Sekolah Rakyat” was different from other schools since it focused only on one topic to reach proper mastery. It is similar to BLK (Job training center) (hall exercise work), In BLK, participants will be educated so that they understand the work, “Sekolah Rakyat” educate participants to become skilled workers, capable of enterprising, self-sufficient, and qualified. When participants finish the entire program, they will get certificate of competence and measurability. This kind of certification is included in non-formal and/or informal education. To enter in the equalization of formal education, payment law is needed. In realizing an official firm, a budget-sourced management is responsible for in-depth development and community empowerment in accordance with the regulations, In this case, regulations or revisions to load the main plan. The program aligns the target through the merging of several companies or consortiums. Why should it be a Joint or Consortium? The answer is simple: a substantial, long-term, and systematic budget.

Related to nonformal education, it has been stipulated in the Law of the Republic of Indonesia Number 20 of 2003 concerning the National Education System in the fifth part of Nonformal Education article 26 conveys thus:

(1) Non-formal education is organized for citizens who need educational services that serve as substitutes, enhancers, and/or complements formal education in order to support lifelong education.

(2) Nonformal education serves to develop the potential of learners with an emphasis on mastery of functional knowledge and skills as well as the development of professional attitudes and personalities.

(3) Non-formal education includes life skills education, early childhood education, youth education, women's empowerment education, literacy education, skills education and job training, equality education, and other education aimed at developing the abilities of learners.

(4) Non-formal education units consist of course institutions, training institutions, study groups, community learning centers, and taklim assemblies, as well as similar educational units.

(5) Courses and trainings are organized for people who need knowledge, skills, life skills, and attitudes to develop themselves, develop professions, work, independent businesses, and/or continue their education to a higher level.

(6) Nonformal educational outcomes can be valued equally with the results of formal education programs after going through an equalization assessment process by institutions appointed by the Government or Local Government with reference to the national standard of education.

In the Government Regulation of the Republic of Indonesia Number 73 of 1991 concerning Out-of-School Education in 2 conveys Fostering citizens to learn in order to have the knowledge, skills and mental attitudes necessary to develop themselves, work for a living or continue to a higher level and/or level of education.

Government Regulation of the Republic of Indonesia Number 19 of 2005 concerning National Standards of Education in article 6 paragraph 3 conveys non-formal education units in the form of courses and training institutions using competency-based curriculum that contains life skills and skills education.

Government Regulation of the Republic of Indonesia Number 17 of 2010 concerning the Management and Implementation of Education related to the implementation of nonformal education in article 100 includes the implementation of nonformal education programs including: life skills education, early childhood education, youth education, women's empowerment education, skills education literacy education and job training, and equality education.

Regulation of the Minister of Education and Culture of the Republic of Indonesia Number 81 of 2013 concerning the Establishment of Nonformal Education Units and Regulation of the Minister of Education and Culture of the Republic of Indonesia Number 25 of 2018 concerning Licensing of Electronic Ally Integrated Business in the Education Sector and Culture, namely the emphasis on the establishment of nonformal education businesses.

From this regulation, in realizing the “*Sekolah Rakyat*” entry category of nonformal education, a legal entity is needed. With this legal entity certainty will be obtained for the community.

Thus, the community will be very confident that they will be very developed by participating in the program, legally clear. Reaping or equalization is also certain, measurable and systemized funding. With the cooperation of all companies in the region of Karimun, together formed a consortium and established the educational institution.

Conclusion

1. The Provincial Government of Riau Islands until now has compiled a Blueprint document and a Master Plan of Community Development and Empowerment which is a reference for the company in preparing the implementation of community development and empowerment programs around the mine so that until now the company compiles a mining and community empowerment program that will be implemented prepared jointly and reported to the government through the Provincial Department of Energy and Mineral Resources. With this model, the company will follow the will of the community in the extension and implementation of the program so that the company's activities do not get rejected by the community.

2. In the implementation of community development and empowerment around the mine in Karimun Island in accordance with the rules published in the district, there are several important points, including:

a. Determination of the amount of funds allocated for development financing and community empowerment based on the amount of the company's sales results that have been determined rupiah figures in each ton of material sold so that thus the amount of funds become measurable.

b. Determination of the amount of development costs and community empowerment based on the volume of sales, making people think that they have funds with a certain amount according to the sales plan every year. Thus, the community will always pursue the company has reached where the absorption of the budget of the fund. This happens because there has been a thought that the fund is theirs.

c. In realizing the budget in financing and implementation of community development and empowerment programs, the company formed a

Community Empowerment and Development Team (TPPM), a central TPPM for the District level and TPPM for the Village/Kelurahan level. Initially TPPM was determined by the Regent then there was a change in the rules of TPPM submitted by a consortium of companies and got approval from the Regent. The operational cost of tppm is 20% of the total funds raised. The existence of this team is not in accordance with the Regulation of the Minister of Energy and Mineral Resources no. 25 of 2018 concerning Mineral and Coal Mining Business and the Decree of the Minister of Energy and Mineral Resources Number:1824K/30/MEM/2018 concerning Guidelines for Implementation of Community Development and Empowerment. According to this regulation, to realize the budget and programs implemented by the company itself, there is a separate team outside of the internal team of the company. With the TPPM funds that should be 100% for the community to be absorbed in part to finance TPPM. For the implementation program of Community Development and Empowerment has been in accordance with the above rules.

6. The realization of community development and empowerment around the mine in Karimun Island is focused on three main secretaries, namely: Education, health and economy populism but for state-owned mining companies implement the implementation of community development and empowerment in accordance with the Minister of SOE Regulation No. 5 of 2007 concerning the Partnership Program of SOEs with Small Businesses and Community Development Programs.

7. Here is still a company that provides cash as a compensation to the community in the implementation of community development and empowerment. This happens in the mining area in the sea/water, this fund is given to the group of fishermen because its activities have disrupted the catch area for fishermen. Patterns such as not educating the community and tend to herd the community with a consumptive lifestyle without good planning so that by the time the company closes the Community's financial condition will be disrupted.

8. After the issuance of Law No. 23 of 2014 on Local Government, the authority of the District/ City has been abolished in the management of energy and mineral resources. More importantly the involvement of the District/City in the preparation, implementation

and supervision of Community Development and Empowerment no longer exists. When there is a problem in the middle of the community related to mining activities then what the community is looking for is the Regent/Mayor. The one who understand the culture, cultural and socioeconomic condition of the community in depth is the district-level government. With this condition, disharmony often occurs between the implementation program of development and community empowerment with development plans at the district level.

9. In the realization of the implementation of community development and empowerment programs this natural, there has not been a flagship program that is really a benchmark of long-term success making significant changes in the development of human resources and the economy that is sustainable and systemized and provide new educational experiences to communities that do not have formal education.

10. In the realization of community development and empowerment programs. There are still many programs in the development and maintenance of infrastructure that are the responsibility of the government.

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