

## Community Development Programs on Palm Oil Plantation Industry in Aceh Tamiang - Indonesia: the Participation of Opinion Leaders in Information Governance



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**ABSTRACT:** Understanding the different disputes that have occurred in the Aceh Tamiang oil palm plantation sector requires a communication strategy focused on teaching ideals that are in harmony with community social life. The study of plantation disputes in Aceh Tamiang demonstrates how the function of opinion leaders from formal actors as corporate spokespersons opens up communication channels that have previously been blocked. The community can express its desired ambitions to the firm through opinion leaders that the company has deployed. The business also takes formal village actors into account as opinion leaders in order to comprehend the needs and circumstances of its citizens. "Datok Penghulu", the local chief, was officially selected by the corporation to serve as its public relations representative. This opinion leader's function as a company spokesperson at least includes creating community development (CD) initiatives, coordinating CD initiatives with the company, and promoting programs to the community.

**KEYWORDS:** Community development, palm oil, plantation industry, and opinion leaders

### I. INTRODUCTION

Conflicts on plantations frequently occur from the knowledge gap between what the community is told about community development projects and what oil palm firms are communicating to it. This investigation into the plantation firm disputes in Aceh Tamiang reveals that the corporation has engaged in a number of community development initiatives. Residents do acknowledge that not many people are aware of the programs that have been run, though. Residents believe that the implemented program does not directly address their fundamental needs and that socialization is not done in a way that can meet residents' goals. In order to close this gap, the corporation hires community leaders as opinion leaders who are formal actors, such as the village chief (Datok Penghulu), to work in public relations for the business.

Opinion leaders from two village chiefs for the working regions in Aceh Tamiang and North Sumatra do not now have the ability to improve the company's reputation. Similar to the town of Lubuk Damar, the locals opposed the company's growth because they felt it was encroaching on producing forests (mangrove forests), even though they ultimately were unable to stop the company's attempts.

A large portion of the community's property was taken over by the firm in an endeavor to cultivate oil palm as a result of this development. This development or expansion has caused friction between communities and oil palm plantation firms in addition to having an adverse effect on the ecosystem as a whole. According to the National Defense Agency (BPN), there were over 4,000 conflicts in Indonesia that led to protests against palm oil corporations. These conflicts included rallies, lobbying, court cases, road blockades, property destruction, and even acts of violence (Berenschot, Dhiaulhaq, Afrizal, & Hospes, 2021: 5).

This study attempts to help stakeholders comprehend the conflicts and interests that exist between businesses and environmental groups, as well as between those groups and workers who have been laid off. Small farmers are particularly dependent on one another, thus conflicts between society and business also affect them.

Depending on the company's decision, governance is captive. According to reports, the initiative is against the objectives of sustainable development and produces very little money per person. Financial institutions or investors should develop understanding to ensure that sustainability requirements may be realized in the business practices of the companies they finance. Business practices in the palm oil industry cannot be isolated from financing and investment assistance.

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Assuring sustainable livelihoods and poverty reduction, fostering fair and transparent relationships between businesses and smallholders, and empowering small-scale farmers in the palm oil sector with the intention of reducing poverty are some of the principles of sustainable palm oil (RSPO, 2020). This objective supports efforts to meet the first and eighth Sustainable Development Goals (SDG), which call for eradicating all forms of poverty and creating good employment opportunities.

At least 3.1 million hectares of palm oil in Indonesia are owned and/or operated by smallholders. More than 40% of the nation's total palm land is covered by it, and it generates around 35% of the nation's total crude palm oil production. Nearly all of Indonesia's palm-producing provinces, or at least 18 of them, are home to smallholders (Glenday & Paoli, 2015). Smallholders are expected to plant 4.5 million hectares of oil palm in 2018, accounting for 39% of Indonesia's total oil palm area (Directorate General of Plantations, 2019).

### II. RESEARCH METHODE

The first few methodologies are used in this study, including a qualitative approach based on interviews, policy mapping for management, Corporate Social Responsibility (CSR), and labor rights, and media studies. Thirdly, media studies are utilized to record voices or opinions linked to the labor movement that occurred at PT.Mopoli Raya as well as public complaints against the company. The second step is conducted based on interviews and focused discussions with informants selected through purposive sampling

### III. RESULTS AND DISCUSSION

#### Introduction to Aceh Tamiang's Palm Oil Sector

For Aceh Tamiang's prosperity and the wellbeing of its people, oil palm farms are a crucial industry. In Aceh Tamiang, smallholder plantations and industrial plantations are the two types of oil palm plantations that are managed. Communities that own and operate plantations are referred to as community plantations. Plantations that are used for industrial purposes are run by businesses that have legal status, and the Cultivation Rights (HGU) system is used to control who owns the property.

**Table 1. Aceh Tamiang District Community Plantation**

No	Sub-District	Land Area (ha)	Amount of Production Ton	Amount of Farmer (KK)
1	Manyak Payed	1.297	12.040	905
2	Bendahara	1.758	20.832	1.245
3	Karang Baru	1.530	16.968	1.333
4	Seruway	3.556	45.570	1.269
5	Kota Kuala Simpang	10	1.400	4
6	Kejuruan Muda	1.140	11.102.	563
7	Tamiang Hulu	5.152	60.410	1.296
8	Rantau	536	700	420
9	Bandar Pusaka	2.678	14.000	1.395
10	Banda Mulia	370	3.612	422
11	Tenggulun	4.300	48.468	1.603
12	Sekerak	614	5.082	380

Source, BPS, 2021

The information above demonstrates how important the smallholder oil palm industry is to people's ability to survive. In comparison to the other eleven plantation industries, such as rubber, coconut, patchouli, areca nut, pepper, cocoa, sugarcane, coffee, sago, and palm sugar, this one employs thousands of workers and is the largest.

A 46,084.59 hectare area is reported as HGU customers of oil palm plants from 34 operational companies[3] for palm oil from the industrial sector. There are 13 CPO factories in Aceh Tamiang, however only two of them, Socfindo and P3, have obtained RSPO (roundtable on sustainable palm oil) certification. One of the RSPO's guiding principles is to guarantee sustainable palm oil by ensuring sustainable livelihoods and the eradication of poverty, fair and open relationships between businesses and smallholders, and the empowerment

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The company's concern about numerous challenges the community encountered as a result of the company's operations was one of the topics that came up during the FGD participants. Example as the disposal of garbage from the manufacturing of palm oil that runs into rivers or the damage to roads caused by cars transporting bundles of palm fruit across multiple public roadways. As a result, the water's quality declines, it starts to smell unpleasant, and it turns black. The negative effects on the community did not appear to be accompanied by attempts to remediate the harm done, and the corporation also appeared unconcerned with the issues facing those who lived close to the plantation region.

The corporation has never managed CSR activities with the involvement of locals or village leaders. The present tendency is toward minimal or nonexistent citizen participation. The main goal of the method of include the community in the creation of CSR programs is to minimize elite bias, which has a tendency to prioritize personal and group benefits. Abdul Wahab, the head of Paya Udang Village, explained in his statement that the CSR program that his village had received consisted solely of giving sarongs to a number of widows in his village; there were no long-term initiatives like economic empowerment, raising community skills, scholarships, or other programs based on needs. Public. As mentioned in the following interview extract;

"The corporation previously gave our residents sarongs as gifts for widows, but there weren't enough to go around for everyone. Although we would be appreciative, it would be preferable if there were a stronger program in place than simply giving out sarongs. I believe the locals can afford it (sarong). For instance, there are more scholarships, programs for low-income people's economies, etc.

The distribution of CSR cash may not have reached the area, according to the locals. The information that village administrations should have access to as citizens of oil palm plantation regions who benefit from community finances is not available to them. Because it relates to the rights of individuals who live in industrial plantation regions, information on the allocation of CSR monies is crucial. Law No. 14/2008, which governs the publication of public information, and PP No. 61/2010, which deals with public information and establishes methods for public access to and exclusion from information, both generally regulate the public's right to information.

The public's confidence in businesses can be increased by open management of CSR funding. Due to business operations, companies are no longer seen as being apathetic to community issues (plantations). CSR initiatives should be based on participative principles, with the community serving as the program's patient (doctor).

Corporate social responsibility (CSR) refers to a company's obligation to communities impacted by its commercial operations. CSR is frequently used, and the phrase also includes TJSL (Social and Environmental Responsibility). However, the basic purpose of CSR, which is to support the rights of indigenous peoples and create communities around businesses, is not diminished by these existing concepts.

Article 74 of Law No. 40 of 2007 about limited liability firms and Article 15 Letters (b) of Law No. 25 of 2007 concerning investment each have provisions that control CSR in Indonesian government laws. The directions in this statute do not include an element of compulsion that has legal repercussions and is not subject to regulation, hence certain businesses are perversely affected by this (beyond regulation). The final and binding ruling of the Constitutional Supreme Court, Number 53/PUU-VI/2002, has, however, regulated and confirmed CSR as a need

Several additional businesses have sustainable CSR channel plans that are connected to the CSR implementation in the palm oil industry. They include PT. Socfindo, which is in the Sungai Liput Aceh Tamiang region, and PPP, which is in the Semanto Aceh Tamiang hamlet. based on data compiled from a variety of sources, including SPSI Aceh Tamiang and SPSI from the two enterprises. The two businesses' CSR initiatives include setting aside money to pay village priests and government employees their regular monthly salary, which range from 200 to 700 thousand rupiah.

### Opinion Leader Role

Understanding the different disputes that have occurred in the Aceh Tamiang oil palm plantation sector requires a communication strategy focused on teaching ideals that are in harmony with community social life. The study of plantation disputes in Aceh Tamiang demonstrates how the function of opinion leaders from formal actors as corporate spokespersons opens up communication channels that have previously been blocked. The community can express its desired ambitions to the firm through opinion leaders that the company has deployed.

The business also takes formal village actors into account as opinion leaders in order to comprehend the needs and circumstances of its citizens. Datok Penghulu, the local chief, was officially selected by the corporation to serve as its public relations representative. Creating community development initiatives, working with the company to coordinate CD initiatives, promoting programs to the community, and carrying out initiatives that have received company approval are at least some of the responsibilities of the opinion leader's role as the company spokesperson.

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The village authority frequently gets engaged in situations of palm oil theft by its citizens. Involvement of the village is typically restricted to identifying the thieves. People who have been found to have stolen are nonetheless prosecuted and put in jail. The prisoner will be housed at Kuala Simpang Lapas if he is from Aceh and Langkat Prison if he is from North Sumatra.

Additionally, in some theft situations, the village head typically serves in the capacity of a mediator between the business and law authorities. In order to prevent its residents from being detained and sent back to the village to be fostered, villages typically offer guarantees. The Ramadhan Monastery Building's Datok Penghulu claimed that the firm had called him on multiple occasions to settle disputes amongst locals who had been caught stealing the company's palm oil. He claims that if the theft is still little and the offender has only been apprehended once, the corporation will restore the item to the community; but, if the offender has committed the same error repeatedly, he will face legal action. According to the following interview passage

"Usually, we (Datok Penghulu) only get engaged when there are ninjas" (palm thieves). If the criminals have committed this offense repeatedly, the business will often not release them. The police will call us to inquire whether the people arrested are actually our residents or not. Apart than that, I don't believe the community has ever been involved; this is village involvement. Because palm oil had been cultivated there since we were little, we had no idea when we cleared the area.

The purpose of this study is to help stakeholders comprehend this scenario completely by using photography to document conflicts that take place in the plantation sector. Each side in the numerous conflicts that have arisen and have persisted for a considerable amount of time has not yet been given a fair hearing. People are frequently drawn into unequal and unequal interactions or even alienated from more lucrative options, especially in the relationship between society and industry.

This situation worsens the "perpetuation" of poverty among those residing in conflict zones and is incompatible with reaching the first and eighth sustainable development goals (SDGs), which call for supporting decent work and the elimination of poverty, respectively. Additionally, this position runs counter to the global palm oil supply chain consensus, which emphasizes eradicating poverty.

The palm oil sector is anticipated to be encouraged by this study to adhere to the principles and practices that uphold fundamental human rights. To ensure that individuals can obtain life assurance both now and in the future, the three pillars of human rights must be protected in corporate activities. The three pillars are: (1) the State's duty to prevent abuses of human rights; (2) the Company's duty to uphold human rights; and (3) the necessity of assisting victims in their healing. [2]

Along with the economy, there have been issues with residents and businesses, and things have gotten worse, especially after the business reported its tenants to the police. The community contended that the dwelling was not in an HGU region because it was in a hamlet whose existence was officially acknowledged by the State, contrary to the corporation's claim that the house and land it inhabited belonged to the company.

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### V. CONCLUSIONS

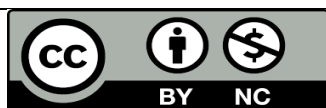
The palm oil business makes a significant contribution to local economic growth. Its existence does more than only lower unemployment. As a sector of the economy that engages with society, it has an interest in improving people's lives, helping them live sustainably, and helping them solve the difficulties they encounter. The construction of a positive image for the company is influenced by the choice of the local community as the spokesperson for the company, which comes from formal actors. They are thought to be able to change the community's thinking because they are influential opinion leaders in the village. Through the use of opinion leaders they have hired, businesses are able to communicate directly with customers and understand all of their demands.

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