

## **The Implementation of Corporate Social and Environmental Responsibility by Palm Oil Plantation Companies Toward the Community (A Case at PT Daya Labuhan Indah Pangkatan)**

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| <b>Article Info</b>                                                                                                                                                     | <b>Abstract</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| <p>Received: 2024-08-12<br/>Revised: 2025-02-21<br/>Accepted: 2025-03-31</p> <p><b>Keywords:</b><br/>CSR; Palm Oil Plantation;<br/>Environmental<br/>responsibility</p> | <p>Corporate social and environmental responsibility is a duty for firms involved in operations concerning natural resources, such as palm oil plantations. The palm oil business is a crucial sector in Indonesia; nonetheless, its sustainability frequently poses environmental and social issues. This study seeks to examine the execution of corporate social responsibility (CSR) by PT Daya Labuhan Indah Pangkatan concerning the environment and local communities, along with the challenges encountered in fulfilling these obligations. The study employs a normative juridical methodology, concentrating on the implementation of legal norms and principles derived from positive law, utilising both statutory and conceptual frameworks. To substantiate this, actual study was undertaken within the company. PT Daya Labuhan Indah Pangkatan executes corporate social responsibility initiatives via environmental greening activities in three villages. Contributions comprise 200 mahogany seedlings, 100 glodokan trees, 100 mango saplings, and 200 hybrid coconut trees. In the education sector, PT Daya Labuhan Indah (Wonosari and Sei Deras estates) supplied landfill support to public junior high schools and contributed decorative stones to a local women's organisation. Furthermore, the corporation constructed two public restrooms and a borewell in adjacent settlements. Nonetheless, the application of CSR remains inconsistent and has yet to be institutionalised. It is conducted freely rather than as a formal requirement. The company continues to depend on its parent organisation, PT Wilmar Group, for corporate social responsibility projects. Significant impediments comprise the view of CSR as a fiscal encumbrance, insufficient allocated resources, lack of organised initiatives for community economic advancement, varying interpretations of CSR, and the belief that CSR is not a global imperative.</p> |

## 1. INTRODUCTION

Corporate social responsibility has emerged as a global concern and a prevalent term, extensively adopted by companies worldwide. In Indonesia, social responsibility is defined in Law No. 40 of 2007 regarding Limited Liability Companies, Article 1, paragraph 3, which states that social and environmental responsibility entails the company's commitment to engage in sustainable economic development to enhance the quality of life and the environment, benefiting the company, the local community, and society at large. The notion of responsibility is governed by Law No. 25 of 2007 regarding Investment, specifically in the elucidation of Article 15, letter b, which stipulates that corporate social responsibility is an obligation intrinsic to every investment entity to foster harmonious and balanced relationships that align with the environment, values, norms, and culture of the local community.

Palm Oil Plantation is an important sector in Indonesia. on the other hand, the sustainability of the palm oil industry causes problems and has environmental and social impacts. There are positive and negative impacts caused by this industry. According to the Environmental Justice Atlas (EJA) shows that most of the 57 cases carried out in Indonesia and Malaysia have negative and positive impacts, and direct and indirect impacts on humans and the environment.

| No | Negatif effect                                                 | Positif effect                                 |
|----|----------------------------------------------------------------|------------------------------------------------|
| 1  | Direct Negative Impact on humans as many as 109                | Positive direct impact on humans as much as 99 |
| 2  | Indirect negative impacts through the ecosystem as many as 116 | -                                              |

| No | Direct Negative Impacts | Direct Positive Impact   |
|----|-------------------------|--------------------------|
| 1  | Conclit 25 %            | 1. Increased income 33 % |
| 2  | Housing conditions 18 % | 2. Jobs 19 %             |
| 3  | Land grabbing 16 %      |                          |

Sources: Environtmental Justice Atlas (EJA) (<https://ejatlas.org>) (EJA, n.d.)

Regarding the palm oil industry chain process is complex and controversial due to claims that the industry follows unsustainable practices in its operations and production processes, which causes massive environmental pollution(Naidu & Moorthy, 2021; Nor Ahmad et al., 2022; Pacheco et al., 2017). The Palm Oil Industry is one of the most criticized sectors due to the link between the expansion of palm oil cultivation and the loss of tropical forests (Azhar et al., 2017; Varkkey et al., 2018). Palm oil expansion in Indonesia is considered controversial, and is accused of being a major cause of forest destruction, forest fires, biodiversity loss, and social conflict.

Palm oil production is a major driver of global forest loss. There are concerns about sustainability issues related to palm oil production. Corporate social responsibility is a form of political will that must be carried out by companies and is closely related to social problems, including poverty. The existence of a company is expected not only to focus on the value of cost and benefit, but must pay attention to social values as a manifestation of responsibility towards the surrounding environment (Syahyunan et al., 2022).

In addition, the company must comply with legal obligations to identify and internalize social costs or negative impacts Externalities. companies must decide how to integrate social responsibility into corporate strategy. In most companies, corporate social responsibility has become a tool to improve business performance and a tool to build positive relationships with stakeholders. In the Palm Oil Industry, involving local communities, government, non-governmental organizations, and other stakeholders in planning, implementing, and monitoring CSR programs is very important. This will ensure that the program is in accordance with the needs and aspirations of the local community (Masum et al., 2020; Saleh et al., 2022)

This study examines PT Daya Labuhan Indah Pangkatan's implementation of corporate social responsibility for the environment and society, focusing on the challenges they face in fulfilling their social and environmental obligations, as it is a crucial aspect of natural resource-based business operations.

## **2. RESEARCH METHOD**

As a consequence of the selection of the problem topic to be studied in the research whose object is a legal problem (while law is a rule or norm that exists in society), the type of research used is normative legal research, namely research that focuses on studying the application of rules in positive law. Normative legal research is a method of legal research that focuses on examining laws, legal principles, and norms as they are written in legal texts such as statutes, constitutions, regulations, and case law (Johnny Ibrahim, 2005; Marzuki, 2021). The approach used is the statutory approach. To support normative legal research, empirical legal research is also carried out. In this study there are two types of research, namely library research. The data used in library research is secondary data, namely data obtained from primary legal materials, secondary legal materials and tertiary legal materials. Then field research is research conducted to obtain primary data by going directly to the field to select research objects related to the problems to be studied.

### 3. RESULTS AND DISCUSSION

#### **The Implementation of Corporate Social Responsibility by PT Daya Labuhan Indah Pangkatan Toward Environmental and Community Development**

The inception of the corporate social responsibility notion stemmed from a deficiency of public trust in corporations. The entities mentioned above encompass not only Limited Liability Companies but also all forms of business activities, regardless of their incorporation status. Public distrust arises from the company's singular focus on profit, disregarding environmental and community considerations. Gunawan, 2008 Legally, Law No. 40 of 2007 pertaining to Limited Liability Companies mandates, specifically in Article 74, that corporations in Indonesia implement Corporate Social Responsibility (Sondakh et al., 2025; Waagstein, 2011a; Yue & Oktaviani, n.d.). Paragraph 1 of the Law specifies that firms engaged in the natural resources sector and associated fields must undertake corporate social and environmental responsibility initiatives. The issue at hand is whether Corporate Social Responsibility (CSR) is confined solely to corporations operating in or associated with natural resources. In this instance, we cannot depend solely on legal frameworks; nevertheless, firms fundamentally require Corporate Social Responsibility (CSR) even in the absence of mandates. It is imperative to acknowledge that every profitable firm is obligated to establish a CSR program.

Law No. 40 of 2007 regarding Limited Liability Companies stipulates the regulation of Social and Environmental Responsibility, which aims to achieve sustainable economic development to enhance the quality of life and the environment, benefiting the Company, the local community, and society at large. This provision aims to facilitate the development of harmonious, balanced, and suitable relationships between Companies and the environment, as well as the values, norms, and culture of the local community. Consequently, Companies engaged in or associated with natural resources must implement Social and Environmental Responsibility (Esau & Malone, 2013; Fordham et al., 2017).

To fulfil the Company's commitments, Social and Environmental Responsibility initiatives must be budgeted and assessed as Company expenses, ensuring propriety and fairness are taken into account. These operations are incorporated in the Company's annual report. If the Company fails to execute Social and Environmental Responsibility, it will face sanctions in accordance with applicable laws and regulations. Despite the regulation of CSR discourse in Laws and Regulations, a basic question remains. What motivates the actors' enthusiasm? What drives the business sector to adopt the concept of Corporate Social Responsibility (CSR)? Companies perceive CSR through at least three distinct categories, which classify the motivations for its implementation (Rodrigo & Arenas, 2008):

- a. Merely superficial compliance and compulsion, indicating that CSR is predominantly influenced by external reasons (externally driven), with PT Lapindo

Brantas' accountability to the victims of the hot mud disaster serving as a tangible illustration of this phenomenon. Thus, it is motivated by social factors, in addition to environmental considerations. The execution of responsibility is mostly compelled by external demands rather than voluntary commitment. Furthermore, as it is influenced by reputation, the impetus for adopting CSR is to enhance the company's image. This is promising, particularly in relation to the genuine necessity for disaster relief and humanitarian solidarity; yet, this phenomenon also prompts enquiries, notably concerning the dedication to humanitarian solidarity itself. This means that the aim to donate is still veiled by the desire to take the chance to make favourable publications, such as to maintain or promote the company's image, there are ulterior reasons. At this juncture, it is nearly unequivocal that the company's actions constitute a merely superficial corporate policy. CSR is implemented as an effort to meet needs and give an image as a firm that is attentive to social concerns. Its essence is merely a connection.

- b. To meet duties (compliance). Corporate Social Responsibility is enacted due to the existence of regulations, statutes, and mandates that compel compliance. One example is due to market forces. Recognition of the significance of implementing Corporate Social Responsibility (CSR) is emerging as a trend, coinciding with the growing concern of the worldwide society for ecologically sustainable products that adhere to social norms. In addition to market forces, the presence of prizes conferred by various institutions or agencies can compel firms to engage in corporate social responsibility (CSR). For instance, the CSR Award at both regional and worldwide levels.
- c. CSR is implemented because there is a sincere drive from within (internal driver). The company has realized that its responsibility is no longer just economic activities to create profit for the sustainability of its business, but also social and environmental responsibility. The basic idea is that relying solely on financial health alone will not guarantee that the company can grow sustainably.

The company believes that the CSR program is an investment for the growth and sustainability of the business. This means that CSR is no longer seen as a cost center but as a profit center in the future. The logic is simple, if CSR is ignored, then an incident occurs, then the cost to cover the risk is much greater than the value to be saved from the CSR budget allocation itself. Not to mention the non-financial risks that have a negative impact on the image and public trust in the company.

Those who are aware of the importance of reputation will no longer think of implementing CSR merely to comply with regulations. Because one of the main benefits of CSR is that it has the potential to be a solution to problems that often occur in the relationship between the company and its public. The implementation of a good program will create a constructive relationship between the company and the surrounding community and the environment (Altman, 1998; Bhattacharya et al.,

2009).

Steinler put forward three (3) important reasons why businesses respond to and develop social responsibility issues in line with their business operations: (Suhartana, 2009)

1. Companies are social creatures and therefore must respond to community demands
2. Long-term business interests are supported by the spirit of social responsibility itself
3. Social responsibility activities are one way to reduce or avoid public criticism, and will ultimately lead to efforts to influence government regulations.

In some business circles, there has been a growing recognition that their economic and financial success is closely related to the social and environmental conditions in which their companies operate. To realize such responsibility, the business world is expected to pay serious attention to CSR in its business activities. In essence, CSR is a commitment from a company to integrate its concern for economic, social and environmental issues or better known as the term "triple bottom line" in its implementation, in short, this form of CSR can be classified into four (4) forms, namely (Gallardo-Vázquez, 2025; Pan et al., 2021; Žak, 2015):

- 1) Effective management of the workplace entails ensuring a secure and comfortable environment, implementing a fair compensation system, and prioritising the welfare of employees and their families.
- 2) Collaboration between the organisation and the community, particularly the local populace. This cooperation is typically expressed through a community development initiative aimed at enhancing the overall welfare of the local community over an extended duration. This program aims to ensure that the community reaps the advantages of the company's presence, thereby fostering its autonomy long after the company's cessation of operations.
- 3) Handling environmental sustainability, this activity starts from the company's own environment including saving the use of electricity, water, paper, and so on to handling waste from company activities so as not to pollute the environment around the office, factory and/or land
- 4) Social investment is frequently construed narrowly as "corporate philanthropic endeavours." The true implication is that the company offers both financial and non-financial assistance for social and environmental initiatives conducted by external entities, which will ultimately bolster the company's business operations, as social investment will enhance the company's reputation.

According to Philip Kotler and Nancy Lee (2005), there are several forms of Corporate Social Responsibility (CSR) programs that companies can adopt:

1. Cause Promotions – Companies raise public awareness about specific social or environmental issues, encouraging the public to contribute time, money, or resources. These campaigns may or may not relate to the company's core business and can be conducted independently or in partnership with organizations like NGOs.
2. Cause-Related Marketing – Companies promote their products or services by pledging to donate a portion of the proceeds to address a particular social or environmental issue. For example, a certain percentage of each product sold may be allocated to a specific cause.
3. Corporate Social Marketing – This involves campaigns aimed at changing public behavior in areas such as health (e.g., smoking reduction, HIV/AIDS awareness), safety (e.g., traffic safety), environmental conservation (e.g., pollution reduction), and civic engagement (e.g., voting or blood donation).
4. Corporate Philanthropy – Considered the oldest form of CSR, this involves direct contributions from companies in the form of funds, products, or services to individuals, groups, or institutions in need. Examples include scholarships, school supplies, medical services, or the use of corporate facilities.
5. Corporate Volunteering – Companies encourage employees to participate in CSR programs by contributing their time and skills. This may include organizing staff to teach or volunteer, offering paid time off for volunteering, and providing financial support to causes employees are involved in.
6. Socially Responsible Business Practices – Companies modify internal processes to reduce negative impacts on society and the environment. This may include eco-friendly production, ethical sourcing, eliminating harmful products, and responsible sales practices.

Upon reviewing the aforementioned CSR programs, it becomes evident that their implementation varies significantly according on the company's circumstances. Concerning the execution of CSR regulations mandated by Law No. 40 of 2007 on Limited Liability Companies, specifically the stipulations on Social and Environmental Responsibility, which seek to achieve sustainable economic development to enhance the quality of life and the environment, thereby benefiting the Company, the local community, and society at large. PT Daya Labuhan Indah is a subsidiary of PT Wilmar Group, specialising in oil palm cultivation and palm oil processing facilities. PT Daya Labuhan Indah comprises PT Daya Labuhan Indah Kebun Wonosari, Kebun Sei Deras, and PT Daya Labuhan Indah Pangkatan.

PT Wilmar Group, encompassing PT Daya Labuhan Indah Kebun Wonosari, Kebun Sei Deras, and PT Daya Labuhan Indah Pangkatan, has executed a corporate social responsibility (CSR) initiative involving concurrent environmental greening efforts across three villages. The help comprises 200 mahogany tree seedlings, 100 glodokan tree seedlings, 100 mango seedlings, and 200 hybrid coconut seedlings. In

the realm of education, PT PT Daya Labuhan Indah Kebun Wonosari, Kebun Sei Deras, rendered support by supplying fill soil to SMP Negeri 1 Bilah Hilir and SMP Negeri 4 Atap in Sei Tampang Village, as well as providing Archilic stones or beads to the PKK of Sei Tampang Bilah Hilir Village.

PT Daya Labuhan Indah Pangkatan has also contributed to the local community through its CSR initiatives, which include the construction of two restrooms in Hamlet 4, located behind the Pangkatan Village Meeting Hall, and the establishment of a drilling well in Hamlet 5, Kampung Jawabarang. In this instance, PT Daya Laabuhan Indah Pangkatan has not consistently implemented or scheduled social and environmental responsibilities; these efforts remain voluntary and are not mandated. In executing CSR, PT Daya Labuhan Indah Pangkatan continues to depend on its parent firm, PT Wilmar Group. Methods for implementing social responsibility initiatives in holding companies and their subsidiaries. It is unequivocal that, according to Law No. 40 of 2007 regarding Limited Liability Companies, Article 1, paragraph 3, every entity structured as a Limited Liability Company is mandated to execute Corporate Social Responsibility. This rule mandates that both holding companies and parent firms must have social responsibility programs. The obligation to execute CSR is shared by both the parent firm and its subsidiaries. This is, of course, tailored to the capabilities of each subsidiary.

To ensure the harmonious execution of Corporate Social Responsibility between the holding company and its subsidiaries, a comprehensive CSR strategy must be developed. Consequently, the Corporate Social Responsibility plan must be developed at the executive tier. A straightforward approach is for each subsidiary to implement the parent company's CSR plan. Not only must it be adopted quickly, but adjustments must also be made to the industrial sector in which the subsidiary functions and to the local environment. Subsequently, what is the status of information transparency concerning the execution of CSR by holding companies and their subsidiaries? Can CSR initiatives undertaken by subsidiaries be attributed to the holding company, or conversely, can CSR efforts by holding companies be ascribed to their subsidiaries? In principle, subsidiaries' CSR can be reported by the controlling company through several communication channels, including the Annual Report and Sustainability Report.

### **Obstacles faced by PT Daya Labuhan Indah Pangkatan in carrying out its social and environmental responsibilities**

The concept of CSR in Indonesia is getting stronger, especially after being firmly stated in UUPT Article 1 number 3, stating:

"Social and Environmental Responsibility is the Company's commitment to participate in sustainable economic development in order to improve the quality of life and the environment that is beneficial, both for the Company itself, the local

community, and society in general".

Then Article 74, states:

- 1) Companies that carry out their business activities in the field of and/or related to natural resources are required to implement Social and Environmental Responsibility
- 2) Social and Environmental Responsibility as referred to in paragraph (1) is the Company's obligation that is budgeted and calculated as the Company's costs, the implementation of which is carried out by paying attention to propriety and fairness.
- 3) Companies that do not carry out the obligations as referred to in paragraph (1) are subject to sanctions in accordance with the provisions of laws and regulations.
- 4) Further provisions regarding Social and Environmental Responsibility are regulated by Government Regulation

Technical regulations in the form of company obligations to carry out social responsibility or Corporate Social Responsibility in the form of Government Regulation (PP) Number 47 of 2012 have been realized since early April. The government requires companies based on natural resources (SDA) to include social and environmental responsibility programs in their annual work plans.

Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies contains the obligation for all companies carrying out business activities in the field of or related to natural resources to organize CSR programs, and requires companies to include CSR programs in the company's annual work plan. The explanation of the Government Regulation states that what is meant by a company carrying out its business activities in the field of natural resources is a company whose business activities manage and utilize natural resources. Meanwhile, what is meant by a company carrying out business activities related to natural resources is a company that does not manage and does not utilize natural resources, but its business activities have an impact on the function of natural resource capabilities, including the preservation of environmental functions.

The company must also report its realization in the annual report and must be accounted for in the General Meeting of Shareholders (GMS). However, this regulation does not mention the amount of the company's obligation to set aside funds for the CSR program. While the size is only based on compliance and fairness.

Regarding the obligation to include the CSR program in the annual work plan, it can currently only be relied on shareholders. Social and environmental responsibility programs are implemented by the Board of Directors based on the Company's annual work plan after obtaining approval from the Board of Commissioners or GMS.

Shareholders must supervise CSR according to the company's annual plan.

It is indeed very unfortunate that this Government Regulation, which has been awaited by many entrepreneurs, is expected to regulate the company's social responsibility obligations in detail, which is not regulated in Law No. 40 of 2007 concerning Limited Liability Companies, which is contained in Article 74 (1) states that Companies that carry out their business activities in the field of or related to natural resources are required to implement Social and Environmental Responsibility. However, at least Government Regulation Number 47 of 2012 has strengthened the regulation of social and environmental responsibility that has been regulated in various laws and regulations in accordance with the field of business activities of Companies operating in Indonesia.

In this Government Regulation, Companies whose business activities are in the field of and/or related to natural resources are required to carry out social and environmental responsibilities. Activities in fulfilling the obligations of social and environmental responsibilities must be budgeted and calculated as Company costs that are carried out by taking into account propriety and fairness. The regulation of social and environmental responsibilities is intended to:

- 1) increasing the Company's awareness of the implementation of social and environmental responsibility in Indonesia;
- 2) meeting the development of legal needs in society regarding social and environmental responsibility; and
- 3) strengthening the regulation of social and environmental responsibility that has been regulated in various laws and regulations in accordance with the Company's business activities.

However, the implementation of corporate social responsibility (CSR) will not solve world problems. Negative responses are also often obtained for people who do not yet know the meaning of CSR. Some say that CSR is a way for companies to benefit themselves while also benefiting the community. Until now, there are quite a lot of companies that carry out their social responsibilities. However, most are only charitable (assistance or charity) and the impact is only temporary because the funds used are not adjusted to the needs and economic development of the community.

Regarding the implementation of CSR at PT Daya Labuhan Indah Pangkatan, it is indeed not in accordance with the mandate of UUPT Article 74 and PP No. 47 of 2012, Based on the results of the researcher's observations, the implementation of CSR is only philanthropy and charity. Indeed, in this case it is necessary to distinguish between the Corporate Social Responsibility program and charity activities. Charity activities only take place once or temporarily and usually actually create public dependence on the company. Meanwhile, the CSR program is a sustainable program and aims to create public independence.

There are several obstacles in the implementation of CSR by PT Daya Labuhan Indah

Pangkatan, including:

1. CSR is still considered a burden for the company.
2. There is no specific budget for CSR funds.
3. There is no specific program for developing the economy of the surrounding community.
4. There is no uniformity in the meaning of CSR, and it is not a global issue

Indeed, the regulation itself does not explain how much percentage of funds for the CSR budget is only based on fairness and propriety. PT Daya Labuhan Indah Pangkatan provides assistance to the environment only in the form of planting trees, while concern for the surrounding community is not optimal, has not touched on strengthening the economy of the surrounding community. In this case, the concept of CSR is merely social assistance, not understanding the concept of CSR in its entirety, especially those related to concern for the environment.

CSR provisions have indeed been legally regulated in Law No. 40 of 2007 concerning Limited Liability Companies, but in substance there are still several weaknesses in the laws and regulations governing CSR, such as in Law No. 40 of 2007 concerning Limited Liability Companies Article 74 paragraph (1), namely:

"Companies that carry out their business activities in the field and/or related to natural resources are required to carry out social and environmental responsibilities".

This formulation is actually vague and discriminatory, because it only requires companies engaged in the field or related to natural resources to be required to implement CSR. The question now is what is used as a variable so that a company can be grouped as a company engaged in and/or related to natural resources itself? Then how about the variables of companies that are not engaged in and/or related to natural resources themselves? Then are companies that are not included in and/or related to natural resources not required to implement CSR in their business activities? If this clause in Article 74 is used as the basis for implementing CSR, then an ambiguous meaning will still emerge. On the one hand, it is mandatory in the sense of liability and on the other hand, it remains voluntary in the sense of responsibility. Therefore, the formulation of Article 74 paragraph (1) is changed to: "that all companies operating in Indonesia are required to implement social responsibility". With this formulation, there is no longer any ambiguity and discrimination in the business sector that is required to implement CSR in its business activities (Fajar, 2018; Rumambi et al., 2018; Waagstein, 2011b).

Then, the word mandatory in paragraph (1) is indeed accompanied by the imposition of sanctions, but the sanctions are not clearly stated whether the sanctions are from a civil or criminal aspect, sanctions are only imposed in accordance with the relevant laws, therefore causing ambiguity of norms. The same is true of Government Regulation No. 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies, which in fact Government Regulation No. 47 of 2012 implements the provisions of Article 74 of Law No. 40 of 2007 concerning Limited Liability Companies,

but has not explained in detail about Article 74 of Law No. 40 of 2007.

## CONCLUSION

The implementation of corporate social responsibility (CSR) by PT Daya Labuhan Indah Pangkatan toward the environment and local communities includes conducting environmental greening programs simultaneously in three villages. This initiative involved the distribution of 200 mahogany tree seedlings, 100 glodokan tree seedlings, 100 mango seedlings, and 200 hybrid coconut seedlings. In the education sector, PT Daya Labuhan Indah, through its Wonosari and Sei Deras estates, provided landfill materials to SMP Negeri 1 Bilah Hilir and SMP Negeri 4 Atap in Sei Tampang Village, as well as decorative stones (arkilik) to the Family Welfare Movement (PKK) of Sei Tampang, Bilah Hilir. Additionally, the company has previously supported surrounding communities through the construction of two public bathrooms in Dusun 4 behind the Pangkatan Village Meeting Hall and the installation of a bore well in Dusun 5, Kampung Jawa Seberang. However, PT Daya Labuhan Indah Pangkatan has yet to implement CSR and environmental responsibilities on a regular or institutionalized basis; the activities are voluntary and not treated as a formal obligation. The company still depends on its parent organization, PT Wilmar Group, to carry out CSR initiatives. The main obstacles faced by PT Daya Labuhan Indah Pangkatan in implementing its CSR and environmental responsibilities include the perception of CSR as a financial burden, the absence of a dedicated CSR budget, the lack of specific programs for local economic development, inconsistency in the understanding of CSR, and the fact that CSR is not yet seen as a global imperative.

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