CHAPTER IV

THE COLABORATING BETWEEN JAPANESE SOGO SHOSHA AND SOCIAL DEVELOPMENT

This chapter will explain about the collaborating between Japanese *Sogo Shosha* and Social Development. Each *Sogo Shosha* has its own goals to carry out CSR activities, but the Regional Government as an actor determines what activities are most needed in an area. *Sogo Shosha* as a non-state actor analyzes whether the activities proposed by the Regional Government are in accordance with the company's mission. Then the non-state fund state actors negotiate what is agreed upon CSR cooperation.

The CSR programs implemented by *Sogo Shosha* are more in the fields of Education, Environment and Health. The CSR activities carried out the regional needs that have been agreed by both parties, namely state actors (Local Government) and non-state actors (*Sogo Shosha*) as the organizers of CSR activities

A. Education

The implementation of the CSR program conducted by *Sogo Shosha* in the focus of education was mostly in the provision of scholarships for children who were less able but had achievements in education. Because in Indonesia there are still many children who drop out of school because there is no cost to continue their education. Therefore, *Sogo Shosha* in Indonesia holds a CSR program based on what is needed by an area.

To reach the next generation who are qualified, Toyota participates in developing education for future generations in Indonesia. This is realized by the Toyota-Astra Foundation which has been established since 1974 which is involved in providing scholarships, entrepreneurship training, as well as research costs, teaching aids and educational references. In addition, Toyota also directly provides educational support in the form of mobile libraries, laboratories, and many others.

PT. Kramayudha Tiga Berlian Motors (KTB), authorized distributor of Mitsubishi Fuso Truck and Bus Corporation (MFTBC) inaugurated the reading house with the name of *Rumah Lensa Mitsubishi FUSO*. This is a manifestation of the *Truk Sejuta Mimpi* program held by KTB some time ago. *Truk Sejuta Mimpi* is a form of KTB CSR after achieving sales of 1 million units of Mitsubishi Colt Diesel in 2017.

PT Kramayudha Tiga Berlian Motors (KTB) authorized distributor of Mitsubishi Fuso Truck and Bus Corporation (MFTBC), on August 16, 2017 planned a CSR program in the field of education, namely the Fuso Vocational Education Program. The Fuso Vocational Education Program is a continuation of the previous program, which in this program, KTB donated vehicles as teaching materials for practical activities and student learning, providing certified automotive training for Vocational High School (SMK) students and teachers. In 2017, it was the fourth year for KTB to implement a CSR program that was designated for Vocational Schools. Previously, KTB donated 30 vehicles for education: 27 vehicles

⁹ PT. Kramayudha Tiga Berlian Motors, "Wujudkan Mimpi Indonesia Melalui Rumah Lenca Mitsubishi Fuso", www.ktbfuso.com, accessed

on March 15th, 2019

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for Vocational Schools, and 3 vehicles for the University. 10

PT Isuzu Astra Motor Indonesia (IAMI) realizes that the existence of the Isuzu brand in this country is not solely for business, Isuzu wants to be part of the community and contribute to various aspects of life. For this reason, IAMI also held a CSR program in the field of education.

The program is *Pintar Bersama Isuzu* which has been started since 2012. This CSR program is in line with those run by the parent group from IAMI, namely the Astra Group. In one of the largest business groups in the country. In this program IAMI provided scholarships to children of driver and mechanics of Isuzu customers throughout Indonesia.

After being evaluated, the program was quite successful. Thus, the number increased. Previously, there were only 50 children, it is predicted to be 150 children this year. The eligible scholarship recipients are still in the 3rd grade of elementary school to 3 junior high schools or aged 8-15 years having a rapport score of at least 7 in the last 3 semesters. In addition, there are also school equipment packages for the first 1000 participants.

PT. Yamaha Indonesia Motor Manufacturing (YIMM) actively encourage the education sector through a number of CSR activities. Today, Yamaha Indonesia Indonesia CSR is in line with the government which held a program called the Industrial Vocational Program to Build Links and Match between Vocational High Schools and Industry. This program is expected to encourage the industry to be able to work with Vocational Schools to harmonize

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¹⁰ Lifestyle,"Kramayudha Tiga Berlian Motor Resmikan Rumah Baca", www.lifestyle.kontan.co.id, accessed on March 15th, 2019

the latest technological knowledge between the industry and Vocational High Schools.

The signing of the collaboration contained curriculum alignment, infrastructure assistance, provision of work practices and certification. In addition, Yamaha specifically donated motorcycle units to the Yamaha Vocational High School.

Marubeni has committed to continue to fulfill the responsibility of the company as a member of the international community by providing stronger financial assistance for the purpose of education in Indonesia. They provide scholarships through *Yayasan* Beasiswa Marubeni or hereafter (YBM) which was established in 1999. The program aims to support students who experienced financial difficulties who had good academic achievements and to strengthen his social contribution to Indonesia, Sriwijava University as a recipient university was very important to Marubeni because the university was their strategic partner because of its location. Sriwijaya University is located in the center of South Sumatra province, where there are two Marubeni Group companies; PT. Tanjung Enim Lestari - manufacturer of pens and paper, and PT. Musi Hutan Persada - forest plantation company. YBM has supported hundreds of university alumni since 2008. The awarding of this scholarship is the application of the CSR Marubeni Corporation to strengthen social contributions in Asian countries, especially Indonesia.

Table 2.2. CSR program of Education Pillar

| NO. | Corporation / Sogo Shosha | CSR Program |
|-----|--|---|
| 1 | PT. Toyota Motor Manufacturing Indonesia | - Providing scholarships, entrepreneurship training, as well as research costs, teaching aids and educational references providing educational support in the form of mobile libraries, laboratorium, etc. |
| 2 | PT. Kramayudha Tiga Berlian Motor | - providing the reading house (<i>Rumah Lensa Mitsubishi</i>) - The Fuso Vocational Education Program. Donated vehicles as teaching materials for practical activities and student learning, providing certified automotive training for Vocational High School students and teachers. |
| 3 | PT. Isuzu Astra Motor | - Pintar Bersama Isuzu. Providing |

| | Indonesia | scholarship to children of driver and mechanics of Isuzu cusromers throughout Indonesia. |
|---|---|---|
| 4 | PT. Yamaha Indonesia Motor Manufacturing | The Industrial Vocational Program to Build Links and Match between Vocational High School and Industry. Providing motorcycle units to the Yamaha Vocational High School. |
| 5 | PT. Marubeni Indonesia | - providing scholarship (Yayasan Beasiswa Maubeni). To support students who experienced financial difficultie who had good academic achievement and to strengthen his social contribution to Indonesia, Sriwijaya University as a recipient university. |

B. Environment and Health

Environment and health in Indonesia are very influential for Social Development. Most CSR programs are carried out by Sogo Shosha in environmental and health improvements by conducting training on environmental hygiene for health for the community around the factory.

As a commitment to the environment which is the part of the four main pillars of Toyota CSR, including a commitment to environmental sustainability has been realized. It includes the implementation of the Toyota Forest and Toyota Eco Youth. With the aim of increasing self-awareness of the surrounding community environment.

Toyota's CSR program in the field of community development and philanthropy is one of the concerns that are expected to have a positive impact on society. These CSR activities are always held regularly both on a large and small scale. Referring to the pillars of sustainability (people-profit-planet), realize that the company's goal is not only to seek profits but also to grow the community and the surrounding environment. 11

In 2017, PT. Toyota Astra Motor (TAM) spent around Rp. 20 billion to finance CSR programs. Henry Tanoto, Vice President Director of TAM, said that the number will be used to finance CSR, which has been carried out like Toyota Eco Youth. In addition, there is also a CSR program that has just begun, such as in Mlaten Village, Demak Regency, Central Java, by building Toyota Organic Village (TOV) facilities worth Rp. 2.5 billion. TOV is a warehouse and organic rice mill facility. In

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¹¹ Toyota, "CSR"

<u>http://www.toyotaindonesiamanufacturing.co.id/csr</u>, accessed on March 13th, 2019

collaboration with the Bogor Agricultural Institute, the farmers there will be accompanied for three years in managing the TOV and they will be then released independently. As an addition, TAM will also foster farmers and grow rice and organize the post-harvest process until distribution and sales. In addition, CSR TAM will also revitalize the Traffic Parks in the city of Bandung worth Rp. 9 billion in cultivating coral reefs in South Sulawesi. 12

PT. Amerta Indah Otsuka conducts a program in collaboration with the Ministry of Health, namely education on how to carry out the concept of clean and healthy lifestyle for the community around the factory. One of the implementations is by conducting socialization of waste processing. The socialization carried out by the residents of Bangkong Reang village, Banda Village is one of a series of Clean and Healthy Behavior programs in accordance with the recommendations of the Indonesian Ministry of Health. It collaborates with the Public Housing Office for Settlement and Hygiene Areas in Sukabumi District. West Java. The waste management socialization carried out by PT. Amerta Indah Otsuka aims to increase public awareness to live in a clean and healthy environment.¹³

PT. Nissan Motor Indonesia (NMI) through the Nissan brand has a continuing program of Corporate Social Responsibility (CSR) focusing on the construction of residential areas, in collaboration with Habitat for Humanity Indonesia. The activities that have been running since 2011 have not only built and revitalized homes, but also built educational

¹² Toyota, "Toyota Gelontorkan Dana CSR Rp. 20 Miliar", www.enterpreneur.bisnis.com, accessed on March 30th, 2019

¹³ Otsuka, "Sosialisasi Pengolahan Sampah", www.aio.co.id accessed on March 13th, 2019

facilities, repaired public facilities, renovated educational facilities, made sanitation facilities, clean water and drainage. Houses and clean living environments are basic needs for every human being. Until now, there are still many Indonesians living in uninhabitable homes and dirty environments. Habitat for Humanity Indonesia's National Director, James Tumbuan expressed his high appreciation for the sustainability of the collaboration program between Nissan and Habitat for Humanity Indonesia.¹⁴

Sony Group is aware that their business has a direct impact on the community around its area of operation. Sony contributes to being a positive global citizen. Sony realizes the importance of protecting the environment to maintain the long-term survival of the community, generation. especially the next Considering how they combine innovative spirit and eco-technologies to achieve zero environmental footprint by 2050.In line with the global road plan "Road to Zero", Sony continues to work to reduce consumption and increase the reuse and recycling of materials throughout its products and business activities

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¹⁴ Nissan, "Nissan dan Habitat", <u>www.nissan.co.id</u> , accessed on March 15th, 2019

Table 3.3 CSR Program of Environment and Healthy Pillar

| NO. | Corporation / Sogo Shosha | CSR Program |
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| 1 | PT. Toyota Motor Manufacturing Indonesia | The Forest and Toyota Eco Youth with the aim of increasing self- awerness of the surrounding community environment. |
| 2 | PT. Amarta Indah Otsuka Indonesia | Settelement and Hygiene Areas in Sukabumi District, West Java with the aims to increase public awareness to live in a clean and healthy environment. |
| 3 | PT. Nissan Motor Indonesia | The construction of residential areas, in collaboration with Habitat for Humanity Indonesia. |
| 5 | PT. Sony Corporation | The importence of protecting the environment to maintaining the long-term survival of the community, especially the next generation. |