

The application of Social Impact Assessment to one of industrial estates in Jakarta Metropolitan Area (case of the Jababeka industrial estate)

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**The application of Social Impact Assessment to one of industrial estates
In Jakarta Metropolitan Area
(case of the Jababeka industrial estate)**

**Written as a partial accomplishment of
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Abstract

This thesis obtains an understanding of the implementation of SIA in the Jakarta Metropolitan Area by choosing the Jababeka industrial estate as a case study. Some studies show that industrial estates tend to cause environmental impacts on the communities around the projects. Nonetheless, there is little attention to the social issues and social impacts which are caused by the activities of industrial estates. Three key issues are discussed with regard to the extent to which SIA is accommodated in the planning process of the Jababeka industrial estate, the perceived social impacts and the underlying process of how impacts and changes are produced, and the responses of the related stakeholders to address the impacts. This thesis is conducted through a single case study approach in qualitative methods which comprises reviewing plan documents and regulations, conducting in-depth interview, and arranging focus group discussions. It can be concluded that to some extent, the application of SIA is not well-captured in the case of the Jababeka industrial estate. It is found that the late presence of the impact study and the less consideration of public involvement cause the less accommodation of SIA in the planning process of the Jababeka industrial estate. Moreover, the difficulties of the stakeholders in managing the social impacts are also found because of the unclear responsibilities among them and because the focus of impacts is more toward poverty. In the context of developing country like Indonesia, in which the majority of economic prosperity of the people is still in unfavorable states, economic improvement might become the social impact prioritized by the people. These findings are arguably triggered by the insufficient understanding and the less incorporation of SIA which based on its values and principles especially in regulatory realm in Indonesia. Hence, utilizing SIA in project development is crucial and the urge to institutionalize SIA particularly through policy is highly needed.

Keywords: social impact assessment, planning process, industrial estate development, industrial estate's impact, policy, Indonesia

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CHAPTER 1

Introduction

1.1. A double-edged sword called industrial development policy

Globalization has been giving huge influences to policy interventions regarding industrial development both in developed and developing countries. Harnessing the spirit of it, every country thus tries to create relevant strategies and policies to maximize the benefit of industrial development. Foreign Direct Investment (FDI) through multinational firms (McCann & Mudambi, 2005; Narula & Duning, 2010) is one of the eminent examples which represents the influence of globalization force to industrial sectors.

Moreover, globalization force comes as one of the sources of convergence among countries (Williamson, 1996). Convergence described as a condition in which the least developed countries and developing countries start catching up the performances of developed countries (Narula & Duning, 2010). However, this ideal condition appears to be a complex task and since several factors may inhibit. Different capabilities such as different institutional arrangements, government systems, capital and human resources bring the gap to the result (Cimoli et al., 2009; Acemoglu & Robinson, 2012).

Industrial development policy can become a double-edged sword. On one hand it may help a country promote its economic growth. On the other hand, it inevitably may lead to various unexpected or undesired impacts. Both developing and developed countries are facing the dilemma in their industrial development policy, particularly to industrial policies which closely relate to physical industrial activities. However, as mentioned earlier, the differences in the capabilities of each country can also be reflected in the way of each country perceives and manages the impacts caused by industrial activities.

1.2. Social Impact Assessment and industrial estate

The impacts of industrial activities do not revolve only around biophysical or environmental issues but also around broader social issues which address human being (Slootweg et al., 2001). Without putting aside their gained positive impacts, Industrial activities are potentially to cause various negative impacts. Moreover, social impacts vary depends on the context such as place, project, community and so on (Vanclay, 2002). Hence, social impact assessment (SIA) is critical to do with regard to the intervention for industrial development.

SIA is a broad concept which emerged few decades ago to respond the need of integrating the natural and social sciences for helping the process of decision making (Harvey, 2011). By definition, SIA is analyzing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions such as policies, programs, plans, projects and any social change processes invoked by those interventions (Vanclay, 2003a p.6). In a wider context, SIA is not utilized only as a tool to predict the likelihood of impact of planned project in the future, but also can be applied in some settings which are projects based on ongoing or post-ante assessment (Vanclay & Esteves, 2011). As such, by doing this, information can be gained to improve the implementation of a project.

In many practice of SIA, social impacts that are being considered are still not clear whether they are social impacts, social changes or social processes (Vanclay, 2002). Moreover, social impacts are perceived differently depend on context, so different treatments are necessary to intervene them.

Nevertheless, a guide as a framework to indicate and understand the social impacts caused from various social processes are highly needed. Rather as a list of requirements, social impacts should be understood from multifaceted perspectives and complex iterative processes (Vanclay, 2002). Still, the discussion on SIA from conceptual to technical is growing to respond the rapid changes that world carry. The understanding of SIA has been received criticism because SIA tended to more focus and be suitable in the context of developed world (Vanclay, 2003b). Hence, the discussion and developing on conceptualizing social impacts with regard to developing countries needs much concern straightaway.

As mentioned earlier, social impacts vary which depend on the context. It is intriguing to elaborate more on the likelihood of social impacts which occur in the context of project which is industrial-related, and in the context of developing countries as in Indonesia. To captivate foreign investments in this competitive globalized world, establishing industrial estates has been becoming one of industrial development policies in Indonesia since three decades ago¹. Thus, the Jababeka industrial estate was built in the late 1980s and has been giving a significant contribution to Indonesia's economic growth ever since. However, some studies show that industrial estates tend to cause environmental impacts on the communities around the projects (Singhai & Kapur, 2002; Adekunle & Eniola, 2008; Osibanjo et al, 2011). Nonetheless, there is little attention to the social issues and social impacts which are caused by the activities of industrial estates.

Eventually, government of Indonesia have some Environmental Impact Assessment (EIA) regulations and environmental agencies called the state ministry of environment at national level and environmental agencies at local level to anticipate and control industrial activities and their effects. Social issues thus are concerned mainly in EIA study and planning document of project development which make SIA seem to be part of EIA study and planning processes in the context of Indonesia². However, this condition rather leads to insufficient awareness of social issues and treat the social issues at the surface level which causes unintended social impacts.

1.3. Objectives and research questions

This research endeavors the concept and application of SIA in international discussion to be implemented in the context of developing countries and industrial development. Thus, this research aims *to obtain a deep understanding of the implementation of SIA and the underlying process of social changes in the Jababeka industrial estate*. To achieve this research aim, several research questions are derived as follows.

1. *To what extent is SIA accommodated in planning processes with regard to the Jababeka industrial estate?*

The first research question places the discussion in the policy arena and regulation realm in order to acquire a comprehension about SIA and planning processes in Indonesia especially in the particular case study. By elaborating this issue, it also tries to characterize the nature of SIA which relates to planning system in Indonesia and also the reasons of why they tend be so. Since planning processes comprise the processes from plan-making, implementation, monitoring, to evaluation, so it is important to also observe how the SIA works in the development and management of the Jababeka industrial estate.

¹ Stated in Industry Act of 1984 Number 5

² Indicated in Spatial Planning Act of 2007 Number 26

The second research question takes the critical issues in the case study. After having a bigger picture about SIA in Indonesia relevant to the planning processes of the Jababeka industrial estate, then it continues to identify the perceived social impacts around the Jababeka industrial estate. It encompasses the underlying causal of these changes, since various factors from economy to social aspects in Indonesia tend to create complicated conditions of people's life.

2. *What are the social changes and social impacts perceived by the communities who live near the Jababeka industrial estate?*

Generated by the previous question, thus the third research question more concentrates on how all related stakeholder treat the impacts. It is worth to notice on any cooperation and coordination among these stakeholders with regard to the social changes and impacts, the resources and obstacles in doing so, and on what each stakeholder expects to other stakeholders.

3. *To what extent are the social impacts addressed by company, related governments, and communities?*

The last research question is developed by abstracting the concluding answers of the pervious questions, and then formulates the results to grasp the potential and the bottleneck in applying SIA in the case study. Nevertheless, the results also are expected as recommendations for the related stakeholders especially governments in taking further action to address social impacts not only in industrial development projects, but also in all development projects in general.

4. *What can be learned from the experience of this case study, in order to urge the use of SIA as a framework to incorporate social issues and reduce social impacts in development process? (policy relevance)*

1.4. Relevance

Academic relevance

This research is relevant to the greater discussion of SIA nowadays, particularly towards rapid development in this globalized world. Furthermore, it tries to fill the gap in the international discussion of SIA, by taking an example in developing country like Indonesia. It is expected to enrich the literature of the application of SIA, since some criticism has been addressed towards SIA which likely to be an idiosyncrasy for developed countries (Vanclay, 2003b) and because the impacts are context dependent (Vanclay, 2002). Specific to the case study, this research is intended to convey the implementation of SIA in the context of industrial estate development. As mentioned earlier, several studies on industrial estate indicate some impacts on environmental side, but there are little concerns on the social aspects. With respect to that, this research also attempts to invite the discussion of SIA to this unfolded story of industrial estate particularly in developing country.

Policy relevance

By employing the case study, this research aspires to capture the lessons which can be a reminder for the policy makers (at national or local level) to consider SIA as the important aspect in development and also recommendations to formulate relevant policy. Even though social impacts are context dependent, there might be some basic knowledge which can be emulated or adopted to similar cases in developing countries especially within the regions in Indonesia.

1.5. Structure of the thesis

This research comprises seven chapters. The remaining chapters are as follows.

Chapter 2 encompasses the theoretical framework which relates to the important role of SIA by discussing the integration of environmental and social issue in development processes, the differences of social changes and impacts, SIA in the context of developed and developing countries, and SIA in related to industrial estate development. **Chapter 3** shifts the discussion of SIA to the context in Indonesia. It explicates the background of SIA and the relation with industrial development in Indonesia and also explains the industrial development in Bekasi district, Jakarta Metropolitan Area (JMA) where the case study is located. It reflects the context dependent's feature of SIA with regard to the case. **Chapter 4** elaborates the aspect of planning processes related to SIA in Indonesia. It reveals the position of SIA in planning processes thus far, by examining the evolving of planning system in Indonesia. It also tries to find a silver lining between SIA and planning processes. **Chapter 5** shows the research framework which covers the philosophical Influence, conceptual framework, research design, data collection, data analysis, ethical consideration, and limitation **Chapter 6** draws a story of the case study, which begins by explaining the position of Bekasi district at JMA, and then describing the Jababeka industrial estate at the regional scale of Bekasi district. Latter, the application of SIA in this case study is exposed based on the collected data. **Chapter 7** consists of the discussion and conclusion. The discussion consists of the interpretation and opinion towards the findings in the case study and the relation with the existing knowledge. Finally, the conclusion sums the important argument of this thesis.

The structure of this thesis also illustrated as in figure 1 below.

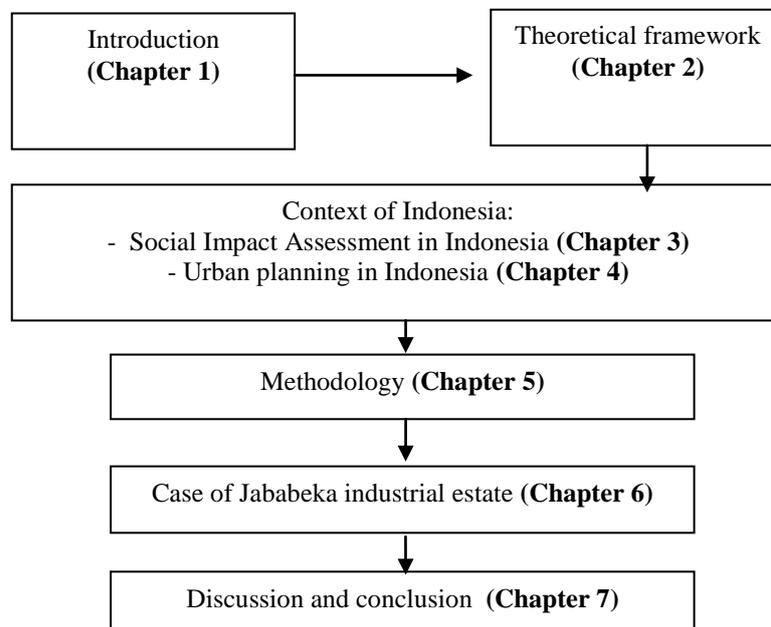


Figure 1: Structure of the thesis

CHAPTER 2

Social Impact Assessment for development

This chapter elaborates the concept of social impact assessment (SIA) with regard to development. It is done firstly by acknowledging its definition, its benefit, its value and its principles. Secondly, by explaining social changes, process, and impacts, and how they are perceived by people differently. Thirdly, by looking at the practice of SIA in the context of developed and developing countries and in the context of industrial estate followed by emphasizing the need of public involvement in SIA, and lastly by abstracting the conclusion of this chapter.

2.1 Introducing Social Impact Assessment

In few decades ago, many studies have focused on the impacts of projects which raised the importance of environmental issue. However, it is considered that in spite of physic and natural impacts, there are sort of intangible aspects on social issues that should be more taken into account. To answer the need of taking the social issues in project development, a concept called Social Impact Assessment (SIA) emerges. SIA has been coming as a response for the decision maker to integrate natural and social science (Harvey, 2011). It is argued that the early definition of SIA was rather nested on policy and regulatory realm (Vanclay, 2003a; Franks & Vanclay, 2013). Vanclay adds that SIA was project-oriented action in which there is no role of management, mitigating, and monitoring impacts. Moreover, SIA was only focused on negative impact and exclusively in a regulatory process so that the assessment of the impacts was hard to be implemented by any particular stakeholders.

Regarding the definition and the rigid position of SIA in the past, it is suggested a new understanding of SIA as analyzing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions such as policies, programs, plans, projects and any social change processes invoked by those interventions (Vanclay, 2003b p.6). This new understanding has been expanding SIA not only as a task to predict impacts, but as a broader body of knowledge which contains multidisciplinary sciences (Esteves et al., 2012) and also can be understood as one big umbrella which contains several perspectives to understand SIA from methodology area to practice (Vanclay, 2003b).

Since SIA has been connected to the task for predicting the likelihood of social impacts of a project in the future, it was mostly linked to typically ex-ante projects. Nonetheless, SIA is not solely utilized as a tool to predict the likelihood of impact of planned project in the future, but also can be applied in some settings which are project based on ongoing or post-ante assessment (Vanclay & Esteves, 2011). This means similar to what mentioned earlier that all process, from planning making to monitoring of an intervention, should consider SIA.

Moreover, planning process of project development demands SIA because every development project, even in a small scale, will result some social consequences. Planning has always been about decision making process with regard to the stakeholders. Thus, SIA could give some important information to the stakeholders as a means to anticipate social consequences of one project development before it is started (Burdge, 1987). Burdge adds that in practice, planners or decision makers often ignore the need of SIA in the planning process as assumed that SIA is such a common knowledge in which everybody already

knows. In addition, Burdge (1990a) discusses that SIA is an important component in planning process which helps the planners or decision makers understand the changes in the area of development project especially understand the communities who live nearby. Burdge also elaborates several variables to measure SIA in planning process which can be achieved from:

- *Project parameters*, for instance number of worker, size and boundaries of project, etc.
- *Census and secondary demographic data*, such as routine financial, demographic, and health data on a periodic basis
- *Community or county data*, such as the record of government activity in the area, data from public hearings in a community, information from newspaper, etc.
- *Public involvement*, in a sense that this is seen as process of collecting data for the variables of SIA in which community can provide input to a proposed project.

However, it is emphasized that the source of information are not limited to these components only.

Furthermore, value and principle in conducting SIA have been formulated generally in the debate of SIA (Vanclay, 2003a). This value requires all practitioners in SIA to have commitment to sustainability and scientific integrity, and also ethic that advocate openness and accountability, fairness and equity, and defend human rights (Vanclay, 2003a p.3). Moreover, Vanclay contributes to several principles which encompass the establishment of value and principle of SIA in international discussion as follows.

- *Precautionary principle*, in which an intervention should consider such a concept as people's way of life and the integrity of their communities in order to protect environment.
- *Uncertainty principle*, where we understand that we live in uncertainty social world so the social knowledge can never be complete due the changing of it constantly.
- *Intragenerational equity*, brings the inclusivity where the benefit should address the need of all stakeholders, and does not apply imbalance to certain disadvantaged people or community.
- *Intergenerational equity*, in which the development activities of planned intervention should contain the principles of sustainable development.
- *Recognition and preservation diversity*, where there is such a consideration of diversity in communities or societies so certain attention and treatment should be applied to sort of this condition.
- *Internalisation of cost*, where social and ecological costs of a planned project should be internalized to be part of the cost the project.
- *The polluter pay principle*, in which the full cost of compensating social impacts are borned to the related stakeholders which support the project.
- *The prevention principle*, in which it is assumed that preventing negative social impacts would be cheaper in the long run.
- *The protection and promotion of health and safety*, which covers the physical, mental, and social wellbeing and safety of all people.
- *The principle of multisectoral integration*, where there is recognition that social issues should be concerned properly to be integrated into all projects, policies, or programmes of development and other planning activities.
- *The principle of subsidiarity*, in which the decision about the approval of a project should be taken as close to the impacted people and they can convey their aspiration as the input for the project.

These principles may give a preliminary picture of values which considered when implementing SIA. Moreover, several actions are identified as the core activities in SIA process (Taylor et al., 2003). There are six activities which include scoping, profiling, formulation of alternatives, projection and estimation of effects, monitoring for mitigation and management, and evaluation. All of these activities emphasize the important of collecting data (profiling, monitoring and evaluation), the important of conceptualizing (projection and estimation activities) and process of experimental learning in between.

Accordingly, the implementation of SIA can be noticed within multidisciplinary fields. Many studies have showed the use of SIA, for instance in the context of project in transportation (Wigan & Clarke, 2006), promoting and protecting health (Fehr et al., 2014), mineral industry (Esteves & Vanclay, 2009), coastal zone management (Vanclay, 2012), agriculture development projects (Ahmadvand et al., 2009) and so on. Therefore, it should be understood that SIA is context dependent. However, some principles and the likelihood of indicative social impacts can be applied in any type of project development.

2.2 Social change or social impact?

It is crucial to conceptualize the social impacts when performing SIA. Vanclay (2002) argues that SIA literature does not emphasize the distinction between the social change processes and the social impacts that are experienced by communities or areas. Burdge (2003) explains that social impact usually relates to changes to individual or community caused by a project. However, Burdge adds that these changes should be seen as the basis to understand the social impacts caused by a project. Therefore, an integrated framework by Slootweg et al. (2001) can assist to distinguish social changes and social impacts. Slootweg et al. (2001) build an evaluation framework in which they understand that impacts can be developed from physical interventions by separating the concepts of changes in physical environment and the concept of impacts incurred by people because of the changes.

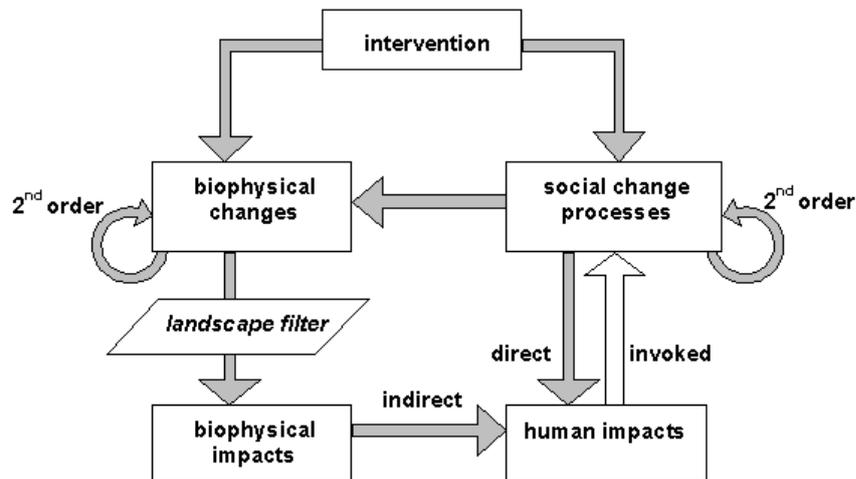


Figure 2: Pathways to derive biophysical and human impacts (Slootweg et al., 2001)

As elaborated by Slootweg et al. (2001), figure 2 depicts that a planned intervention (project, program, or policy) can influence the social setting (an area includes the community) directly and indirectly. It is explicated that indirect human impacts come from the changes in biophysical impacts, while direct human impacts occur from the interventions through the social change processes. The indirect human impacts can be described for instance, when the development of industrial estate use a farm land, so people

cannot work for the farm anymore which leads to the decrease of people's income. The framework also shows that there are such iterations by putting second order of biophysical changes and social change processes. These iterations are considered since changes, both in biophysical changes and social changes, can lead to other changes. It also arrays social changes processes which influence the changes in biophysical setting and in the end can lead to biophysical impacts and then finally human impacts. Therefore, this framework can be a guide to arranges variables of social changes and impacts and also can be the tool to identify the perceived impacts of the communities.

With respect to the framework of social impact discussed before, thus conceptualizing and identifying the social impacts are necessary for the process of SIA. Vanclay (2002) discusses that there are some difficulties to identify all of social processes that might occur. Nevertheless, Vanclay elaborates the likely of social changes processes that can be noticed in performing SIA. Those are as follows (not limited to this list only).

- *Demographic processes*; which includes in-migration, out-migration, presence of newcomers, presence of temporary construction worker, presence of seasonal residence, presence of weekender, resettlement, rural-urban migration and vice versa and so on.
- *Economic processes*; which includes conversion and diversification of economic activities, impoverishment, inflation, devaluation, economic globalization, and so on.
- *Geographical processes*; which includes conversion and diversification of land, urban sprawl, urbanization, gentrification, improvement in transport facilities, and so on.
- *Institutional and legal processes*; which includes globalization and centralization, decentralization, privatization, and so on.
- *Emancipatory and empowerment processes*; which includes democratization, capacity building, marginalization and exclusion, and so on.
- *Sociocultural processes*; which includes segregation, social disintegration, cultural differentiation, and so on.
- *Other processes*; in which should be considered due to the process of technology development, new social phenomenon and others.

Vanclay (2002) also emphasizes on some indicative variables of social impacts which can be considered as below.

- *Indicative health and social well-being impacts*, such as death of self or family member, death in community, nutrition adequacy, actual health and fertility, mental health and subjective well-being, annoyances, autonomy, dissatisfaction, moral outrage, and so on.
- *Indicative quality of the living environment (livability) impacts*, such as perceived and actual quality of the living environment, leisure and recreation opportunities, environmental amenities, availability of housing facilities, adequacy of physical infrastructure and social infrastructure, perception of safety and fear of crime, actual safety and crime, and so on.
- *Indicative economic impacts and material well-being impacts*, such as workload, standard of living, access to public goods and service, economic prosperity and resilience, income, property value, type of employment, disruption of local economy, and so on.
- *Indicative cultural impacts*, such as change in cultural value, cultural integrity, culturally marginalized, profanisation of culture, loss of local language, loss of cultural heritage, and so on.

- *Indicative family and community impacts*, such as alteration in family structure, changes to sexual relation, obligation to living elders, obligation to ancestors, family violence, community identification and connection, social tension and violences and so on.
- *Indicative institutional, legal, political and equity impact*, such as workload of government, integrity of government, loss of tenure, loss of subsidiarity, violation of human rights, participation in decision making, access to legal procedures, and so on.
- *Indicative gender relation impacts*, such as women's physical integrity, personal autonomy of women, gendered division of production labour and household labour, gender-biased control over, political emancipation of women, and so on.

Nevertheless, Vanclay (2002) strongly points out that these indicatives should not be considered as a checklist of possible impacts that might happen in an area of one project. It is because several local variables should be formulated based on the local consideration. Moreover, to treat the generic variables as a list of checklist cannot put the assessment from the analytical thinking which tends to ignore the second order processes and impacts.

2.3 Social impacts in different settings

Since the likely social impacts vary from place to place (Vanclay, 2002), thus comprehending the nature of this variation is necessary. Many conditions and situation can possibly be used to elaborate why social impacts are perceived differently across the people and community throughout the world. Slootweg et al. (2003) build a conceptual framework of the relation between human society and the biophysical environment by identifying three main settings which may influence the production of social impacts. Those three identified main settings are presented as follows.

1. *The natural environment*; which encompasses living and non-living resources and how they interact. This setting produces the goods and services which are used by people for living their life. Hence, the differences in natural environment indeed can produce the differences of perceived social impacts.
2. *The human society*; also can be called *social setting* in which all human activities, knowledge, beliefs, and values are mingled. Slootweg et al. (2003) argue that because of human activities and their values, the goods and services in the environmental setting become valuable for their needs. In addition, these values or needs can be in form of economic value, socio-cultural value, or ecological value. As such, it is interesting to more elaborate on this setting because it may give bigger influence to the likelihood of individual or community in perceiving social impacts. In doing so, the values in human society can plausibly be juxtaposed with the Maslow's hierarchy of needs. The Maslow's hierarchy of needs is a theory which explains that people are motivated to achieve certain needs (McLeod, 2014) by following the five levels of basic needs as illustrated in figure 3. This figure depicts that humans tend to fulfill their needs started from physiological needs to self-actualization needs. The pyramid shape explicates the priority of needs in which humans tend to pursue the higher level of needs when they are already satisfied with the lower level of needs. Particularly, the focus of people or communities on social impacts may relate to these levels because social impacts can be in form of disruptions towards the efforts of fulfilling their needs.

Despite the myriad contexts which can influence the perceived of social impacts on people or community, the practices as discussed earlier are likely to be more focused on physiological and safety level of needs. Looking at two different big realms of practice, which is in the context of developing and developed countries, social impacts in both contexts tend to stand across the spectrum of these two levels of needs.

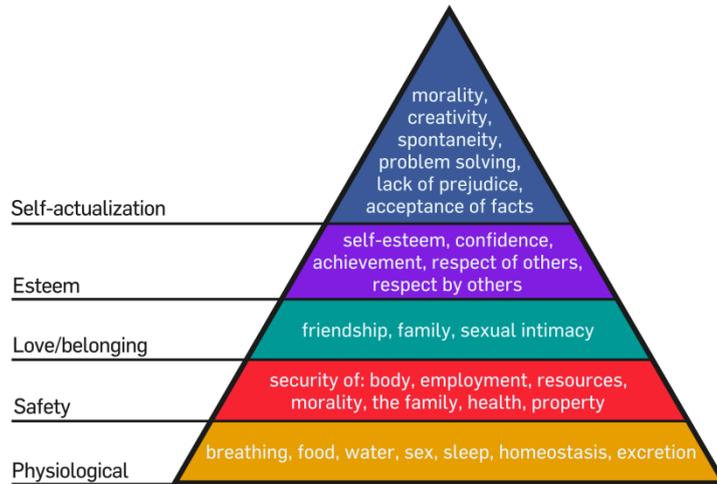


Figure 3: Maslow's hierarchy of needs (source: commons.wikimedia.org, 2009)

However, this does not necessarily mean that the rest of upper levels are not touched by the social impacts. At certain situational project of development, the social impact can be detrimental to the attempt of people in achieving their esteem and self-actualization needs. Thus, the way people absorb the information of various impacts which will happen might be framed by the level of their need. For instance, several changes which occur due to one project of development are serious impacts for certain people but apparently are not perceived as impacts at all for other people because they have different focus of needs.

3. *The institutional setting*; which encompasses the institutional arrangement such as authorities, legal framework, laws and regulations and also the management practices and policy instruments which can change people's behavior.

2.4 Public involvement in SIA

A good SIA should facilitate and coordinate the participation of stakeholders (Vanclay, 2003a; Esteves et al., 2013). Additionally, these stakeholders may differ which depend on the proponent of the projects and particularly the affected people or communities who live near the project. Considerable amount of studies have been made to incorporate these affected people by emphasizing the important of public involvement and participation in SIA (Burdge & Robertson, 1990; Becker et al., 2003; Roberts, 2003; Becker et al., 2004; Tang et al., 2008; O'Faircheallaigh, 2010).

Public involvement is an over-arching concept as a process for involving the public in decision-making process of an organization (Roberts, 2003 p.259). Robert further explains that this involvement can be in several types, such as consultation and participation depend on the degree to which the public can influence. Subsequently, Burdge & Robertson (1990) describe that public involvement in decision process for environmental and social impact assessment was already required long decades ago. It was emphasized that public involvement is part of SIA and a continuous process which occurs in every stage of SIA and aims to provide some inputs from the communities regarding proposed projects. Roberts (2003) identifies in detail the differences of consultative model and participatory model of public involvement which can be used in the practice of impact assessment. These two

models can be useful if they are used appropriately which depend on the characteristic of the social setting and the project.

Roberts (2003) distinguishes the nature of these two models and how they can be utilized in practice. The consultative model has some aspects which are more advisory, more static, more controlled, more prescriptive, more orchestrated, more directive, more fixed and rigid, more company accountability, more methodological, and more linear. Meanwhile the participatory model is more non-directive, more empowering, more uncertain, more evolving, more innovative, more shared, more dynamic, more mutual accountability, more flexible, more spontaneous, more creative, and more participatory. Roberts highlights that choosing the best model for involving people in SIA can be within somewhere along the spectrum of these two models. One can be noted that, the participatory model demands more direct involvement by the members of public and other stakeholders (the proponents of the projects and the government).

Public participation has been assumed to be beneficial for decision-making processes in impact assessment. Nevertheless, it is still unclear on how to achieve an effective public participation in impact assessment (O'Faircheallaigh, 2010). For instance, one project can claim to include people in their plan-making, but apparently the implementation of the project harm the people. O'Faircheallaigh (2010) further investigates that this failure might happen because the model of public participation pays insufficient attention to the dynamic and political nature of public participation. This includes the tendency that one side of stakeholders who own bigger power on decision-making refuse to share the power to the public. In other words, it is possibly because these particular stakeholders just merely need to do the stage called public involvement as one of the requirements in doing SIA without considering the redistribution power in decision-making process to improve the SIA.

Communities play a crucial role in public participation since they are the ones affected by the project, program, or policy. Additionally, Becker et al. (2003) suggest an approach called community interactive approach to achieve the goal of public participation in SIA. This approach is rather a technical way to collect information and data. Moreover, it is formulated to reach the spirit of bringing people in identifying and assessing several local indicators and to provide a conscious level of information with regard to the project phases and the impacts. In Becker et al, (2003) create such a guideline for performing this technique by strengthening the members of communities to convey their own thinking to the process of SIA, sufficiently informing them the overview of project, conducting such a group discussion to bring the different views from each member of the communities, assessing current situation and likely social impacts using the judgments of community members and having suggestions from the communities.

Arguably, this technique in public participation can do such transfer knowledge from community to the proponent of the project and vice versa. It is in line with the idea that public participation can be also a tool to educate people (Burdge & Robertson, 1990). Especially for the community, it can even engage them with the knowledge of SIA in advance. Furthermore, it can enhance such a community development program as one of the alternative strategies to empower the people in facing the likely social impacts.

2.5 SIA in the context of developed towards developing world

The practices of SIA might depend on the context of project, location, institutional arrangement and so forth. Predominantly, the vast majority of the practice of SIA was on the context of developed countries (Vanclay 2002; Burdge, 2003). The understanding of SIA thus received such a criticism in which SIA was not applicable in developing countries. Vanclay (2003a) addresses the criticism by discussing the use of SIA in developed countries is likely to address the issue of individual property rights, while in the developing countries, the benefit of SIA should be more on maximizing the collective of social utilities. Therefore, some attempts had been made in formulating the use of SIA in the developing countries. Vanclay (2002) argues that for enhancing this issue, SIA should be utilized as a framework which encompasses a process oriented approach and consider the social issues in all steps of the processes. Moreover, SIA should focus more on promoting social sustainability such as social-well-being especially in managing poverty. Long beforehand, Burdge (1990b) also discusses the need of SIA in the context of less developed country. Burdge elaborates on how to tackle a pessimistic view in doing SIA for instance the condition of less of government and financial resource in applying SIA in developing countries. Hence, it is suggested some potentials in implementing SIA in developing countries as follows.

- *Maximizing the existing of government resources.* This means that it is not necessarily needed to form an additional institution with complicated procedures for conducting SIA.
- *Flexibility in choice of methodology.* Flexibility in a sense that choosing one methodology to adapt from one particular model in one country is not suggested, rather trying to combine the most suitable methodology from two or more methodologies in different countries.
- *Use of nationals.* The use of SIA practitioners who come from the host country population.
- *Use of appropriate methods and concept.* This means that SIA process should be pertained to the local conditions.
- *Quantification.* It is expected to help the policy makers by simplifying the social characteristics through numbers.
- *The right to express opinion for the local people.* Local people who are impacted by one project development should be allowed to express their opinion as the input for performing SIA.
- *Limitation of ethnographic techniques.* Because the nature of ethnographic techniques is lengthy, descriptive and needs highly-skilled practitioners, thus other techniques of collecting secondary data would be preferable and suitable.
- *Selecting the SIA variable.* Creating choices for SIA variables from the review of finding on similar projects.
- *Avoiding repetitive data collection.* In which data of information from previous SIA or related assessments should be concerned.
- *SIA and the planning process.* The assessment must be integrated to the planning process from the beginning, thus it can be used to help in choosing the possible alternatives.
- *SIA and project implementation.* SIA should include several recommendations for mitigation measures, monitoring, and ex post facto analysis procedures. By means of this, a better understanding the social changes can be achieved.

In a nutshell, these suggestions might be useful to reconsider the use of SIA which stumbles to several limitations in the context of developing countries. However, they might not be the only strategies for enhancing the use of SIA in developing countries. Several possible ways to do SIA in a certain manner can be also generated by the very specific context of the locations in this creative era.

Tracing back to the past, SIA has not been much paid attention like Environmental Impact Assessment (EIA) in developing countries (Momtaz & Kabir, 2013). Moreover, SIA was always an integral part of EIA and did not concern adequately on social issues. To understand the practice of SIA in developing countries, Momtaz & Kabir (2013) evaluate the case in Bangladesh. The findings are that social issues central to EIA and there is no separate legal status for implementing SIA. Moreover, there is a deficiency of resources with regard to SIA expertise in its administrative arrangement and some inadequate monitoring measures which lead to the weakness of EIA and SIA in Bangladesh. These findings arguably might not capture all the conditions in the practice of SIA in developing countries. Nevertheless, they might provide a preliminary description that should be taken into account when envisaging SIA in developing countries prior to understanding the detailed issues there.

2.6 SIA in the context of industrial estate

As mentioned earlier, the application of SIA has been studied in many multidisciplinary fields and contexts. Nonetheless, the researches which discuss the use of SIA in the context of industrial estate are still limited. In spite of this, several studies mention to some extent the impact of industrial activities and industrial estate on environmental and also the practice of EIA in the context of industrial estate (Morrison-Saunders et al., 2001; Paliwal, 2006; Nadeem & Hameed, 2008; Saengsupavanich, 2009; Shi et al., 2009). In addition, several studies elaborate on the greater use of SIA in mining activity as one of industrial activities (Joyce & MacFarlane, 2001; Esteves & Vanclay, 2009; Petkova et al., 2009).

Industrial estates which contain many industries inevitably bear some threats to the environment. Therefore, the impacts of industrial activities towards environmental issues have been gaining many concerns nowadays. Since many countries, particularly developed countries, insert social impacts into their EIA regulations and practices, thus some relevancies of SIA in EIA towards industrial estate is elaborated in this section. Predominantly, the application of EIA in the context of industrial estate is still unsatisfactory in several countries. As Paliwal (2009) investigates that the activities of EIA in industrial projects in India are still insufficient. Paliwal finds that they are poor at scoping, lack of baseline data, lack of monitoring and implementation, less of public participation, lack of coordination and inadequate of decision making process. It is suggested to emphasize on the need of commitment and public participation which are underpinned by a strong coordination and integration with planning and decision making processes. Likewise, Nadeem & Hameed (2008) also find similar issues which cause the inadequate implementation of EIA in Pakistan beforehand. As well as Saengsupavanich (2009) who conducts an evaluation study in one of industrial estates in Thailand, and finds out that the awareness of environmental impacts still needs to be improved since several issues are ignored, for instance, the increasing complaints and the intolerable water quality. It is recommended that the big portion of improvement at policy level and at institutional design (regulator, operator, management and control). However, in these applications of EIA, social issues are not considered in whole process of activities. They are carried in the stage of formulating mitigation measures and performing corporate social responsibilities

(Paliwal, 2009) and thus community involvement is required (Saunders, et al., 2001) in order to communicate and build the trust (Saengsupavanich, 2009).

Esteves & Vanclay (2009) elaborate on the issues of typical heavy industrial activities in mining which is possibly akin to the issues of industrial estate development (particularly in several developing countries whose industrial estate are mainly operated by private corporations). It is argued that companies who run the business on industrial activities tend to receive great expectation to do social commitments for the communities such as providing health and education facilities, promoting local economy, and even more alleviating the poverty. These social commitments or responsibilities sometimes at certain places are translated as the act to do Corporate Social Responsibility (CSR) (Newell & Frynas, 2007). The matter of fact, the cost to do this commitment in developing countries is usually borne to the companies. Thus, it is important to pursue a condition in which there is a win – win solution both for the company, the community, and also other proponents such as government. Regarding this issue, a concept called Social Development Needs Analysis (SDNA) is introduced. SDNA is “a process that seeks to identify the significant social issues that need to be addresses in order for company to contribute to the sustainable development of the local community over time, while creating value for the business” (Esteves & Vanclay, 2009 p.141). This concept can help to enhance the implementation of business which respect to the need of communities. It cannot be let alone without a good multi-framework of stakeholders (Petkova et al., 2009). This framework aims to empower the unfavorable parties either it is community or even it may be the company. It is also useful to posit such shared-responsibilities among the involved stakeholders.

In a brief, it can be summarized that the implementation of EIA (which is assumed carrying the issue of social impacts) still has to be improved at several critical points. As concluded by Nadeem & Hameed (2008), EIA is often used as a set of requirements to gain the approval of a project rather than as a planning project for achieving sustainable development. With those shortcomings, the integration between EIA and SIA (Slootweg et al, 2001) and a shifting of environmental regulatory framework towards SIA is essential (Petkova et al, 2009) notably in the context of industrial estate due to the great potential of industrial activities to risk biophysics environment and human being. On the institutional issue, typical problem in developing countries is the lack of capabilities in arranging regulations and enforcing them. Hence, the call to revisit the balance of rights and responsibilities among involved stakeholders are necessary as well.

2.7 Conclusion

SIA and development cannot be divorced out since SIA focuses on the likely impacts and consequences resulted by any projects of development. In details, SIA has a crucial role for the planning of project development, therefore SIA and planning should be seen as adjacent processes which are implemented simultaneously. One should be noted that taking a consideration towards the values and principles of SIA is required in order to have a better implementation of SIA. Additionally, one of the core issues in SIA is conceptualizing and identifying social impacts which locally vary from place to place and project to project. However, it is critical to understand the underlying process, from biophysical and social changes to social impacts, and also what factors which can produce the differences of social impacts perceived by people. This issue can be acknowledged by observing the differences in natural environment, social, and institutional setting. Particularly in social setting, several perspectives can be utilized to further comprehend the relationship of social impacts and of human needs, for instance, through the theory of hierarchy of needs. By doing so, the

practitioner in SIA might dismiss the possibilities in arranging SIA as a checklist requirement and enhancing it as a continuous process in a project. The people who perceive the impacts play an important role for the process of SIA. Many unfruitful SIA come from the idea to participate the people at the stage where the decisions with regards to the project are already made. Therefore, public involvement or participation which includes the people or communities in the decision-making stage to the implementation is indispensable.

The shifting concern on the practice of SIA from the context of developed countries to developing countries enriches the global discussion of SIA nowadays. Particularly it is useful for the context of developing countries which are attached to several hindrances (from institutional, human resources, to financial issues) in doing the SIA. Nonetheless, this does not merely mean that SIA is difficult to conduct in developing countries. The practice of SIA in other contexts should be seen as the tools to learn and adjust to the local context by maximizing the limited resources. Central to the practice of SIA in the context of industrial estate, it is noted that the development of industrial estate highly relates to its potential in risking environment, yet on the other hand can contribute to economic improvement of a country. Therefore, social sustainability may appropriate to resolve this dilemma by proposing the idea to balance the benefit for environmental and business purposes.

CHAPTER 3

Social Impact Assessment in Indonesia

This chapter explains further to the discussion and practice of SIA in Indonesia which encompasses four parts of subsections. First is the extent to which SIA is acknowledged in Indonesia by looking to the historical of its practice and the current situation. Second is by referring to the legal and institutional basis of SIA in Indonesia. Third is central to the relation between SIA and industrial development policy in Indonesia, and last is the conclusion of this chapter.

3.1 EIA and SIA in Indonesia

The implementation of SIA in Indonesia is almost similar to the context of developing countries as discussed in chapter two. Tracing back to the past, the consideration of Indonesian government towards environmental values in development was triggered by Stockholm Environmental Conference in 1972 (MNLH, 2015). According to the result of this conference, thus the government, business sectors and academia recognized the important of assessing environmental impacts and commit to promoting EIA in development process. Nevertheless, the discussions and practice of SIA in the context of Indonesia is insufficient (Suprpto, 1990; Walker et al., 2000). Few decades ago, the directives of development in Indonesia was mandated in several five-years annual plans but unfortunately they did not pay attention to the environmental and even social impacts (Suprpto, 1990). In the end of 70s, the forming on Ministry for Development Supervision and Environment was the first achievement with regard to environmental concerns in development underpinned by several environmental regulations, yet the social issues were still assigned to other stakeholders and sectors.

Brown (1990) discusses that inspite of the law and regulation which required the action to do EIA, the implementation of EIA on that time did not further involve the impact prediction, evaluation, and mitigation. Additionally, Brown identifies that the lack of intergration with planning process and decision-making resulted the implementation of EIA which was still far from its main purposes. Regarding the stakeholders who are in charge to do EIA, Leonen & Santiago (1993) identify that project proponents through the environmental study centres are those who prepare the EIA. Nonetheless, some limitations in financial and human resources (Suprpto, 1990) create a condition in which many EIA-making processes and implementations are conducted by the international donor agencies as well (Gore & Fischer, 2014). It is also akin to the cases in several developing countries that many EIA in Indonesia are merely a set of prosedural requirements and reports for the project proponents to the approval of projects, rather than a comprehensive action to address environmental issues in decision making processes (McCarthy & Zen, 2010).

Public involvement or participation is conceived as the tool which gives significant influence to impact assessment processes (Purnama, 2003). The consideration of public involvement and participation in EIA was already mentioned in the law of environmental and related regulations, yet the execution of it were not effective and enforced if cannot be said nothing (Leonen & Santiago, 1993; Boyle, 1998; Purnama, 2003). It is argued that the defeciency in formal participation culture and unclear representational structure in people and communities have become some constraints in performing public involvement in impact assessment processes (Purnama, 2003). Purnama also finds that the public involvement processes in impact assessment in Indonesia were likely to be represented by sort of non-governmental

organizations (NGOs), media publication, and public submission. Few years afterwards, the involvement of impacted people had been considered in the modification of some related regulations, yet the implementation of public involvement did not belong to the whole process of impact assessment which might not give any significant result. The cultural aspects in Indonesia also tend to hinder the process of participation. As discussed by Boyle (1993), a strong reliance on paternalistic, hierarchy, and status in the people and community may obscure the process of each of individuals to convey their aspiration with regard to a project. For instance, the majority of Indonesian people are likely to agree with the decision of certain people assigned with higher status and power.

Walker et al. (2000) describe that several improvements in the regulations of EIA and some directives to incorporate SIA in the related regulations in Indonesia were already attempted. Albeit these efforts, still the common practices of EIA are missing several important points in their implementations, predominantly in the enforcement of the regulations and the ability of practitioners or consultants at integrating SIA to EIA. In other words, the use of the term of ISA and its practice are still rarely given attention even as a part of the EIA processes.

3.2 Legal and institutional basis of EIA towards SIA

To clearly envisage the practice of EIA and SIA in Indonesia, it is relevant to elaborate its underpinned legal and institutional basis. After experiencing several changes in political regimes and economic situations, the environmental law and regulations in Indonesia have improved currently by means of reconsidering and rethinking the important of social issues in EIA laws and regulations. It is important to note, the following discussion is on the EIA context, since the SIA is considered as part of EIA.

Table 1 shows the important forming and changing of regulation since the beginning of 1980s until today. Several modifications or revisions with regards to them has been made. To see the differences on the evolution of EIA in legal and institutional framework, thus divided them into two big eras of transition in Indonesian government might be necessary.

Before decentralization

A couple decades ago before decentralization, a particular law which contains environmental concern in development was promulgated in 1982. This law was sort of an overarching law mentioned that human and its behaviour are the important components of environment (MNLH, 2012). In addition, one article in this law stated that every proposed plan which is likely to generate impacts to the living environment should perform EIA. Unfortunately, it did not give any explanation on how to do EIA in practice (Purnama, 2003). Although the formal regulation was stipulated in 1982, several development projects in Indonesia had already conducted EIA beforehand, by means of the assistances from international donor agencies or NGOs.

From 1983-1986, the state ministry of population and environment was formed in 1983 as the national institution to underpin the first official law on environment in 1982. The regulation which was the guidance for the project proponent to implement EIA came along in 1986. However the implementation of EIA during this period was very complex and confusing. Purnama (2003) describes that was because the lack of experiences and unprepared institution in doing EIA. However, several EIA commissions were established in several national agencies and department which was followed in 1990 with the forming of specific institutions on local level called Bapedal (environmental impact management agency) in almost every region and city in Indonesia.

Table 1: Law and regulation for environmental concern in Indonesia

No	Year	Law/regulation	Concern
Before decentralization			
1	1982	Act No. 4/1982	On basic provision for environmental management including environmental impact analysis
2	1983	President Decree No. 25 /1983	On the formation of the state ministry of population and environment (Now become the Indonesian state ministry for environment /MNLH)
3	1986	Government regulation No.29/1986	On the implementation of AMDAL (EIA)
4	1990	President Decree No.23/1990	On the formation of Bapedal (Environmental impact management agency) at local level
5	1993	Government regulation No.51/1993	On the implementation of AMDAL (EIA); modification on government regulation No.29/1986
6	1997	Act No.23/1997	On environmental management (modification on the Act No.4/1982)
After decentralization			
7	1999	Government regulation No. 27/1999	On the implementation of AMDAL (EIA); modification on government regulation No.51/1993
8	2009	Act No.32/2009	On Environmental protection and management (modification on the act No.23/1997)
9	2012	Government regulation No.27/2012	On the implementation of AMDAL (EIA) which emphasizes on environmental permit; modification on government regulation No.27/1999
10	2012	State minister for environment regulation No.16/2012	On the guidance for arranging EIA document
11	2012	State minister for environment regulation No.17/2012	On the guidance for public involvement in EIA process and environmental license
12	2013	State minister for environment regulation No. 03/2013	On environmental audit

Source: compiled from Purnama (2003) and MNLH (2015)

The improvement of the EIA guidance was carried out by the new government regulation in 1993. Due to the growing understanding and public awareness of environmental issues, thus the act No.4/1982 concern on environment issues was replaced by the modified one in 1997 (MNLH, 1997). This act mentioned the important of controlling social impacts in every project development.

After decentralization

The decentralization in Indonesia was triggered by the fall of President Soeharto in 1998. The act No.22/1999 on local autonomy has changed the massive authority of central government to be delegated to local governments (Government of Indonesia, 1999), which implicated to the modification of many major regulations in Indonesia. Purnama (2003) mentions that during this political transition period, the promulgation of the act No.23/1997 on environmental management was compelled. Nevertheless, the promulgation of the government regulation No.51/1993 on the implementation of EIA was already proceeded in

1999. After long years preparing and formulating, finally the act No.32/2009 on environmental protection and management was stipulated in 2009 to replace the act in 1997. This act carried the principles of local autonomy and the global environmental issues with regards, for instance to climate change and also mentioned in a very brief about the important of controlling social impacts of every project development (Government of Indonesia, 2009).

In 2012, the guidance for project proponents in arranging EIA document was launched in a form of state minister for environment regulation No.16/2012. It shows in details on how to do EIA and specifically elaborates on how to identify the likelihood of negative and positive impacts and select them to be several important predicted impacts. Project proponents are given the right to use any methodologies in doing impact assessment and to filter the only relevant suggestion and aspirations from the public with regards to the impacts. Regarding the management of social impacts and the public involvement in impact assessment, the state ministry for environment stipulated the state minister regulation with respect to them in 2012. This regulation locates some directives about public involvement in EIA implementation by providing the opportunities for people in actively participating in decision-making process (MNLH, 2012). It also subjects to people (impacted people, environmentalist, and other related people) to give their opinions, criticisms and responses before a project is announced and during impact assessment-making process (community judging process). At these stages, the process of identifying the likely changes and impacts might be enhanced. Nonetheless, this regulation does not emphasize the involvement of people in the monitoring and evaluation of the implementation of EIA such as how to give complaint or appeal when the project is already running. Accordingly, another minister regulation enacted in 2013 with regard to environmental audit. This regulation contains the procedures for official auditor in auditing the implementation of EIA. Although it helps project proponents to arrange EIA study and mentions few indicators such as how many complaints received by project proponents, yet it does not include the mechanism for public to be participating or to giving complaints after one project is already established.

Several modifications in legal and institutional frameworks to some extent have delivered greater improvements for EIA process in Indonesia, particularly after decentralization in which local governments have bigger authorities to manage and regulate project development in their own areas. However, the frameworks do not elaborate further on the wider use of the concept of public involvement and do not base the assessment to the values and principles in doing impact assessment especially SIA.

3.3 SIA and industrial estate policy in Indonesia

Global force in industrialization has been influencing industrial policy in Indonesia since almost three decades ago. At that time, industrial act No.5/1984 was promulgated in 1984 to stimulate the industrial climate in Indonesia. Several directives to engine economic performance through industrial sectors was contained in this act. One of them is determining central growth for industry by locating potential industrial activities within industrial estates. In 1989, the first industrial estate was built along with the construction of the first highways in the West Java, Indonesia (Jababeka, 2014). Apparently, the authority to build industrial estate was delagated to private sectors during that time. The impacts of industrial estates thus were assessed and analyzed by the private sector by referring to the environmental regulations and acts mentioned earlier.

Table 2: Law and regulation regarding industrial estate and the relation with its impact

No	Year	Law/Regulation	Concern
1	1984	Act No. 5/1984	On industrial principles
2	1989	President Decree No. 53/1989	On industrial estate
3	1990	Presiden Decree No.30/1990	On the use of land for industrial estate development
4	1996	Head of Environmental Control Board Decree No. KEP-229/11/2009	On guideline for social study in EIA
5	2009	Government regulation No.24/2009	On industrial estate
6	2014	Act No. 13/2014	On industrial principles
7	2014	Draft of government regulation	On permit for industrial estate business

From table 2 above, the first regulation with regard to industrial estate was stipulated in 1989. It emphasized the need to regulate business for industrial estates in an effective way in order to accelerate industrial growth. Arranging EIA as an obligatory stage of a project implementation was mentioned in a brief. A year after, a regulation with regards to the use of land for industrial estate development came out, which also mentioned the urge to do EIA and its congruent to spatial plan. It is interesting to note that in 1996 there was a decree issued by head of environmental control board in the state ministry of environment, to accommodate social study in EIA. However, this regulation was rather weak on its legal force because it came from the lower institution on government.

Industrial act in 1984 came to an end in 2014 which was replaced by the act No.13/2014. This new regulation is more comprehensive in mentioning the procedures and requisites to develop industrial estate. The emphasis on doing EIA is still pertained in general, with an additional clause mentions that people are entitled to be protected from negative impacts of industrial activities. It is stated that the further details of regulation on industrial estate and the management of its impacts would be regulated in government regulations. Accordingly, since 2014 the government have been formulating the regulation on permit for industrial estate business. The draft regulation slightly mentions the significant in doing EIA which emphasizes that the permit to develop and run a project is only given when the EIA is arranged properly and agreed by the related environmental agency.

In a nutshell, the laws and regulations which address the industrial estate development in Indonesia indicate the need of doing impact assessment which is known as EIA. However, it is stated in very general directions which put impact assesment rather as a common knowledge and as part of requirement to have a permit for running industrial activity. Furthermore, insufficient concern on social impacts in those laws and regulations shows that SIA is still far from being acknowledged in the policy context of industrial estate development in Indonesia.

3.4 Conclusion

It is interesting to note that when understanding the practice of SIA in Indonesia is more possible by comprehending it through the practice of the well-known impact assessment called EIA. This seems to be happen since SIA is still perceived as one of the considered aspects in EIA until today. In the beginning of the introduction of EIA, it still lacked of several important points. There was no concern to social issues, no integration with planning

and decision making process, and there was some limitations in resource issues both financial and expertises.

Moreover, paying attention to public involvement process is necessary in EIA because it can be a tool to explore the side of social issues perceived by people. According to that, the quality of public involvement process with regard to EIA in Indonesia is still impeded. Several issues related to the inadequate system of public involvement process and the influence of culture to the way people express their feeling and aspiration are said to hinder this process. One can be underlined that the public involvement process in EIA can give a slightly hint about the SIA in Indonesia since it tries to engage people with decision making process as one of the values of SIA.

Legal and institutional basis to underpin the implementation of EIA in Indonesia have evolved since they were introduced in the early 1980s. Predominantly after hitting the new government system from centralized to decentralized system, the governments have made several modifications regarding the laws and regulations and also have made some institutions or agencies to manage a gigantic issues on environment. The laws and regulations thus far have been carrying the urge to do EIA (with several consideration towards a deeper identification of impacts and public participation). Nonetheless, the principles of values in doing SIA are not appropriately reflected in the EIA process and the public involvement process is still not conducted in the whole process of impact assessment. The policies regarding the industrial estate development in Indonesia also place the EIA process as one of the prerequisites in doing a project, yet they do not give any directives to accommodate social issues. Lastly, the important of SIA actually has been stated briefly by the central government since a couple decades ago. Unfortunately, it seems to be less ignored because it is not underpinned by strong legal and institutional basis and therefore, the process of impact assessment is directed to focus more on the physical impacts assessment as in EIA.

CHAPTER 4

Urban and regional planning in Indonesia

As discussed earlier that planning process is also decision making process which is highly related to SIA, thus this chapter examines the overview of urban and regional planning in Indonesia to be juxtaposed with the discussion and practice of SIA. The first and second section talk about the urban management and spatial planning system in Indonesia which has transformed from centralized to decentralized system. The third section elaborates on the planning system with regard to industrial development and its impacts. The fourth section discusses on the extent to which spatial planning system in Indonesia can correspond to the implementation of SIA as the conclusion of this chapter.

4.1 A view on urban management in Indonesia

Prior to the discussion on spatial planning in Indonesia, it is relevant to comprehend its urban management process as the overarching umbrella of spatial planning system and to see how it can implicate to the way of a country tackles the issues, for instance, with regard to social impacts. McGill (1998) argues that in spite of its elusive definition, urban management can embrace three important topics to be elaborated. They are the players in urban management, the institutional dimension, and the integrated concept of planning. Central to the context of developing countries, McGill (1998) suggests urban management to aim in providing infrastructures and services and to make sure that the local government is ready organizationally and financially for those provisions.

It is interesting to utilize the dimensions that McGill (1998) proposes above towards the urban management process in Indonesia. The first dimension is players or stakeholders. Rakodi (2003) argues that the urban management task can be referred to the task of governance. It is important to note that governance is not only the public sector agencies but the interaction between government and non-governmental actors. In Indonesia, Firman (2002) discusses that there is a shifting of the management of urban development from government agencies to communities and private sectors. Firman (2002) finds that the model for this type of management is not well-established and thus parallel with the process of developing this model, strengthening government capacities in urban management is needed. Those capacities are particularly in the area of land development, budgeting and funding issues, infrastructure development, environment management, and public service provision. The idea to engage communities and private sectors does not necessarily mean to dwarf the role of government in urban management. The vast majority of developing countries including Indonesia are sort of facing the common problem in urban development with regard to the capabilities in resources both financial and people. Therefore, it needs greater assistances from other stakeholders such as private sectors and communities.

The role of communities in urban management might be more fascinating to focus since they can be the potential source for development. Beard & Dasgupta (2006) examine the concept of community-driven development in Indonesia which emphasizes on collective action within communities in urban and rural areas for poverty alleviation project. It turned out that there is a greater capacity for community level to do collective action in rural areas compare to urban areas. This might happen due to the strong social capital in the traditional life of people in rural areas. However, when collective action is achieved in urban communities, the result tends to be socially transformative. One that should be noted, this collective action still needs to be concerned by the project planner, be it government or private sector. It is because a

wide range of contextual factors which determines the successful of community-driven development is still beyond the control of project planner (Beard & Dasgupta, 2006).

The second aspect which is crucial to address is institutional dimension. McGill (1998) finds that many authors seem to argue that there is no common applicable of institutional arrangements for coordinating urban development activities. Alexander (2006) explains that institutional arrangement or design is devising and realizing rules, procedures, or organizational structures, to enable and constraint behavior and action and conform them to held values, achieve desired objectives or execute given tasks. To think through the institutional arrangement in urban management in Indonesia, it will be relevant by using three levels of institutional arrangement proposed by Alexander (2012) which are macro, meso, and micro level. At macro level, as it is on constituting general rules for people, it might be relevant to refer to several general rules at national level in Indonesia with regards to urban management. Various laws or regulations are formulated to be the guidelines for urban development in Indonesia. However, Firman (2004) argues that for instance, several rules for urban land use management in Indonesia are inefficient, inconsistent, and sometimes overlapping or in conflict one and another. This condition does apply to other aspects in the regulations of urban development in Indonesia as well. Meso level is the level which engages the planner, planning implementation structures, and processes, thus this level can be seen through the planning implementation in Indonesia. This encompasses particularly the performance of planning implementation in such as land use planning, development control, infrastructure planning, environmental policy and social and human services. In other words, it is also highly related to the task of planning as a coordinating tool for many aspects in urban development. For instance in land use planning, Firman (2004) investigates the poor coordination in urban land management as one of the key issues faced in planning implementation in Indonesia. Moreover, it also can be broken down to the organizational structure in government for coordinating the tasks in planning implementation.

The shifting from centralized to decentralized system in Indonesia also has transformed the pattern of coordination in urban management, in which several organizations have been formed to be a melting pot for the related organizations or institutions in managing certain issues or areas (Firman, 2010). For instance, there is an important role of particular institution for the multi-local governments of several municipalities in coordinating and managing solid waste and waste water infrastructure development (Firman, 2010). The given task of local authorities to manage these issues is particularly one of the implications in decentralization reform in Indonesia where greater local autonomies are delegated to local governments.

The third aspect in urban management is the integrated concept of planning (McGill, 1998). McGill investigates that traditional planning was often divorced from public investment and budgetary and the economic planning process of central and local government. Hudalah & Woltjer (2007) seem to agree that the planning framework in Indonesia, particularly in the early 1990s, lacked of the role of public investment. Furthermore, McGill (1998) finds that many master plans in developing countries' cities (including Jakarta, Indonesia) which contain spatial strategies tend to be useless because they are too rigid to adapt rapid changes or in other words, they are static in nature. For instance, Silver (2007) explains the evolving changes of the master plan in Jakarta, Indonesia due to several major issues. The twenty-year master plan prepared in 1980 was proven that it did not anticipate the massive restructuring and changes in the city. It failed in population projections and flawed in several assumptions in the future. After undergoing several revisions due to political and economic changes, thus the Jakarta 2010 plan was introduced. It is added that although this new master plan almost

identifies the same issues compare to the previous master plan, but it brings a new fundamental purposes in planning which consider that planning is to some extent understanding social processes. In spite of the lacked implementation of planning, this give a sign that there is a growing understanding of the planning concept in urban management in Indonesia to be more adaptive towards dynamic social changes.

4.2 Spatial planning system in Indonesia

Spatial planning is a prominent tool to promote urban management. It refers to the method which is used by public sectors to influence future distribution of activities in space (Commission of the European Communities, 1997 p. 24). Spatial planning system is context dependent (Sanyal, 2005) which makes it vary from country to country. In Indonesia, to think through the spatial planning system, it is relevant to have a standpoint from the spatial planning regulation which has transformed due to the fluctuated changes in institutional system in Indonesia. Several events mark some crucial points for significant changes in spatial planning system in Indonesia. Nevertheless, it is more convenient to distinguish them into the era of centralized and decentralized system.

Centralized era

Centralized era can be marked at the time before the fall of President Soeharto in 1998. Within this time, the first and the latest prominent planning regulation before the massive political and institutional changing in 1998 was spatial planning law No.24/1992. According to this law, spatial planning is defined as processes which encompass plan making, plan implementation, and development control (Rukmana, 2015). Moreover, inspite of the context dependent, the planning system in each country can possibly be distinguished into four major traditions of planning system (Commission of The European Communities, 1997). They are regional economic planning approach, integrated comprehensive approach, land use management approach, and urbanism. Based on the spatial planning law No.24/1992, Hudalah & Woltjer (2007) identify that the planning system in Indonesia is more toward integrated comprehensive approach. This planning system is characterized as “conducting spatial planning through a very systematic and formal hierarchy of plan from national to local level, which coordinate public sector activity across different sectors but focus more specifically on spatial coordination than economic development” (Commission of The European Communities, 1997 p. 36-37). Rukmana (2015) explains this law mentions the hierarchical spatial planning in Indonesia consists of national spatial plan, provincial spatial plan, and district spatial plan. Bearing this type of hierarchical spatial planning, it put all tier of planning authorities to play important roles and thus implicates for example to the land use management in Indonesia where the responsibilities to manage the land are shared among local, province, and national government (Hudalah & Woltjer, 2007). Beside the lack of public investment mechanism, the spatial planning law No.24/1992 also did not have sanction provision for the spatial plan violation (Rukmana, 2015). To have a clearer picture, Hudalah & Woltjer (2007) illustrates the systematic and formal hierarchy of spatial plan in Indonesia as in figure 4.

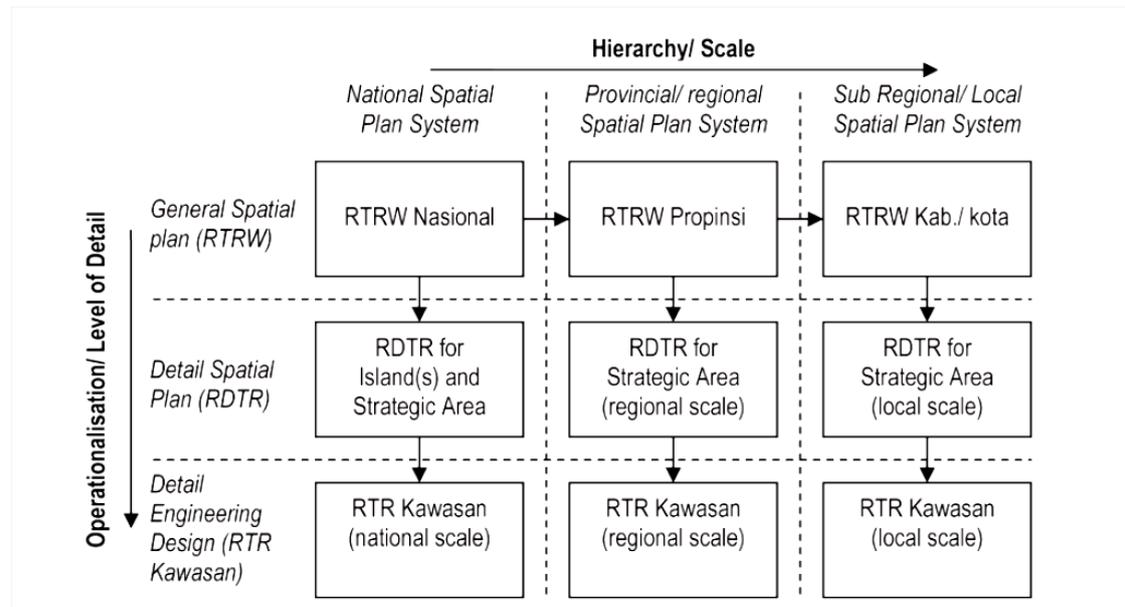


Figure 4: Spatial plan in Indonesia (Source: Hudalah & Woltjer, 2007)

Decentralized era

Immense changes after the retirement of President Soeharto in 1998 implicate to the changes in particularly institutional and governance system in Indonesia to be more decentralized. The spatial planning law No. 24/1992 was no longer applied and suitable with the context of local autonomy in decentralization era. Hence, in 2007 it was replaced by spatial planning law No.26/2007. This law is also affected by the law of local economy in which each of localities is more responsible to manage its own area through its spatial planning. Rukmana (2005) explains that this new law considers the rapid urbanization in metropolized areas in Indonesia, for example in Jakarta Metropolitan Area which consists of more than two metropolitan areas. This new law also enhances several tools for development control such as zoning regulation, planning permit, implementation of incentive and disincentives, and enforcing sanctions. Carrying the principles and values of decentralization and democratization, this new law promotes the important of public participation and accountability in planning which correspond to the previous dissatisfaction towards the great control of central government in the era of President Soeharto. Despite of these improvements, the implementation of this new law is still questionable. Hudalah & Woltjer (2007) argue that the planning system in Indonesia tends to be ineffective for urban development because it is influenced by the global forces such as neo-liberalism, but ignores the institutional-cultural forces as internal factors (domestic dynamic changes). Hence, the planning system in Indonesia is likely to be fragmented and inconsistent in which element within this system is conflicting one and another.

4.3 Industrial development and planning

Relevant to this research, it might be important as well to discuss planning and its implication in a sense of specific sectorial planning in industrial development. A quick note to be known, that the hierarchical system of spatial planning in Indonesia, from national to local level, carries some mandates to allocate space for industrial development (Government of Indonesia, 2008; Ministry of Public Works, 2009). Furthermore, it also requires the project of industrial development to create zoning regulation (for instance, to regulate the nearby areas for settlement and so on).

It is intriguing to move the discussion towards to what extent planning can interfere the phenomena and practice of industrial development in Indonesia. Hudalah & Firman (2011) argue that the growing industrial development characterized by the transformation from agricultural to industrial manufacturing sectors has been implicating to the spatial pattern in Indonesia. For example, they took an observation in Jakarta Metropolitan Area (JMA) as the most prominent and biggest area of industrial activities in Indonesia. JMA particularly comprises of urban, suburban and rural areas which are bonded due to their closeness and interrelationship activities within these areas. Many industrial activities are concentrated in part of rural and suburban areas in by harnessing the available spaces in JMA and cheaper land price which suburban can provide (Hudalah et al, 2013). It is discovered that beside have been contributing to the improvement of economic performance, these rural and suburban areas have transformed to be industrial areas with its supportive facilities which also called as new urban centers or “new towns”. Firman (2004) previously states that the industrial activities and business in JMA have created a great demand for housing which range from upper to lower classes. Firman adds that the contrasting of this housing development apparently has enforced the phenomenon of spatial and social segregation among the different level of workers surround the industrial areas in JMR. Winarso et al. (2015 p.223) define segregation in urban area “as the occupation of a piece of land by different social groups that are not distributed homogenous rather they cluster themselves in accordance to their status, ethnicity, and origin”.

Moreover, Hudalah et al. (2013) elaborates the implication of industrial development on the deconcentration or massive dispersal of population and employment towards suburbs in JMA. It is found that the spatial planning in JMA has no role for this deconcentration, rather it is because the role of private sectors who run the industrial activities in JMR. As a matter of fact, deregulation and decentralization in Indonesia contribute to the crucial role of private sectors in shaping deconcentration of population in JMA (Hudalah et al., 2007). It is argued by Firman (2000) that the local governments in JMA tend to easily issue land development permit for private sectors to build industrial areas and its supportive areas. As such, industrial development and its implications are likely to be handled by private sectors rather than by government and its spatial planning.

Several implications of industrial development on spatial issues discussed earlier call the role of planning to respond and intervene. Hudalah & Firman (2012) argue that the absence of plan to accommodate services has triggered people to move and seek services provided by private sectors in suburbs. Meanwhile the private sectors alone see the opportunity of this movement to create “new town” besides their initial purposes for running industrial activities. Hence, the related spatial plan in this case needs to be more responsive and adaptive on the dynamic changes and implications caused by industrial development, especially on the rapid urbanization. It is also probably better to stick to the message which is carried by planning regulation in Indonesia in which the development of industrial areas needs to be accompanied by zoning regulation. Firman (2004) concludes that spatial and particularly social segregation as the implication of industrial development will inevitably continue as it is the product of dynamic condition in societies. Nevertheless, the inadequate planning framework and institution and also the great role of private sectors can strengthen this social segregation (Hudalah et al., 2013). Hence, there are some needs for innovative planning instrument, in coordination at regional level and in the improvement of local governments’ capabilities (Hudalah & Firman, 2012).

4.4 Conclusion

Urban management as the roof of planning in Indonesia can be viewed from at least three important stand points, which are the players, the institutional arrangements, and the planning concept itself. Three of these dimensions show a modest performance and are lacking of several important points. The interaction between government and non-government actors (communities and private sectors) in urban management still demands a well-established model and the government capacities need to be strengthened. Nonetheless, the planning concept applied in Indonesia has been evolving until today. As such, there is a growing understanding of integrated concept of planning which consider the dynamic of social processes in society.

Technically, spatial planning system as the tool to enhance urban management in Indonesia is characterized by conducting planning through a hierarchical system from national level to local level. Moving to decentralization era, the planning implementation thus has been greatly shifted to the localities. Furthermore, planning in industrialized cities in Indonesia reflects the condition in which the absence of sound planning can give great opportunities to private sectors in shaping deconcentration of manufacturing employment (Hudalah & Firman, 2012) and forming the so called new urban centers. These urban centers attract workers in different type of lifestyles and settlement needs and thus have been creating spatial and social segregation. What can be abstracted from the planning issues discussed here is that planning in Indonesia should also further look towards the implication of development which does not come from the planning alone, but also the ones which come from other uncontrolled development. In addition, planning implementation in form of development projects inevitably generate social changes and impacts, and thus it needs to be accompanied simultaneously by an appropriate analysis and assessment offered by the concept of SIA.

CHAPTER 5

Methodology

5.1 Research framework

Intellectual and philosophical influence

Conducting a research is not necessarily explaining problem, understanding it or suggesting possible recommendations and so forth, but also contemplating the whole process of thinking from the beginning to the end. As such, to array the thinking on philosophical issues when understanding the nature of the problem which is going to address might strengthen the whole process in thinking through a research. The background and objective of this research have already explained in **Chapter 1** which summarizes the motivational issues of why this research is important to carry.

The intellectual influence on the thinking process of this research is based on conflict paradigm. This is accordance to Karl Marx statement that social behavior can be seen as a process of conflict and there are such groups which dominate the other groups and vice versa (Babbie, 2007). This view is employed to assume that the different stakeholders in the case of this research have competing interests one and another. There are four main stakeholders which are likely to have different motives and reaction towards the presence of Jababeka industrial estate. They are the private company who establishes and runs the industrial estates, the national government who issues the directive and regulation with regard to the industrial estate, the local government who owns the areas and gives permission, and the community who live around the industrial estate. One should be noted as well is to understand the gathered data which mostly aspire from those stakeholders will behave in following to their own paradigm. For instance, there are some possibilities in which one stakeholder likely to put itself in Marxist view towards this issue, and another stakeholder tends to have more capitalist view. This variation on views can be plausible to underpin the observations on the case and the reasoning of the finding in this research.

This research is also influenced by a normative thinking to understand the application of social impact assessment in the chosen case study. Hence, it is expected such a value judgment that social impact assessment is critical to be used in such a way which appropriate with this particular case and context. Furthermore, qualitative approach is highly relevant to this research due to the typical of collected data and the aim of this research which emphasize on observing and understanding. Qualitative research involves collecting and/or working with text, images, or sounds (Guest et al., 2012). In addition, Babbie (2007 p.295) define qualitative field research as “*a research which enables researchers to observe social life in its natural habitat: to go where the action is and watch. This type of research can produce a richer understanding of many social phenomena than can be achieved through other observational methods, provided that the researcher observes in a deliberate, well-planned, and active way*”. Thus, the collected data from the stakeholders are treated in a sense to answer the questions and to understand this case as a social phenomenon by overlaying them to some conceptual and theoretical basis in order to seek for the explanation.

Conceptual framework

The conceptual framework of this thesis is formed based on the motives behind this thesis, its aim and the key issues carried up by the research questions in **Chapter 1**. The main concept in this thesis is the concept of social impact assessment which is juxtaposed with several underpinned concepts. To make it more convenient, the framework as presented in figure 5 is divided into several stages which particularly are intended to answer each of research questions.

Figure 5 above depicts the mechanism for conducting this research in general. Started by the background of this research as the motivational and the reasoning stages of why this research needs to be employed. It continue to the literature review which more or less encompasses the concept of SIA (values and principles), SIA in the context of developed world towards developing country, planning context, industrial development context, integrated concept of impacts, public involvement in SIA, theories on human motivation and so forth. This literature reviews are constructed to assist the process of answering each of research questions by juxtaposing it with the collected data in the case of the Jababeka industrial estate. It is wrapped by some lessons to be learned and the relevance to the policy context in Indonesia.

5.2 Research design

This research is carried out through a single case study approach. Babbie (2007) explains that case study focuses on a single instance of some social phenomenon by seeking an idiographic understanding of the particular case under examination. Case study method often has some features such as descriptions that are complex, holistic, and involving a myriad variables (Stake, 2000). Stake adds that case study is best used for adding to existing experience and humanistic understanding. Thus, this method may help to focus more on specific phenomenon on the case of this research and deepen the comprehension of it.

Harnessing the research approach mentioned above, thus choosing a case which can represent the practice and application of SIA in Indonesia is indispensable. Apparently, there are several potential cases which can be employed to fit the aim of this research. However, in order to have a deeper holistic story and analysis, this research finally comes in one case only. As explained in Chapter 1, that there is a little attention to the application of SIA in the context of industrial estate, thus researching on this field area seems to be important to enrich the discussion of SIA. Furthermore, the Jababeka industrial estate in Bekasi, West Java, Indonesia is chosen as the feasible representative based on several justifications. The Jababeka industrial estate is the oldest and the biggest industrial estate in Indonesia owned and operated by private sectors (the biggest in South East Asia as well). It also gives the largest economic contribution to Indonesia in manufacturing sector. On the other hand, it is closely surrounded by human settlements which vary from their characteristics. As such, this case may give an understanding from its longstanding chronological experiences and also may reveal different positionings and perspectives from different interests.

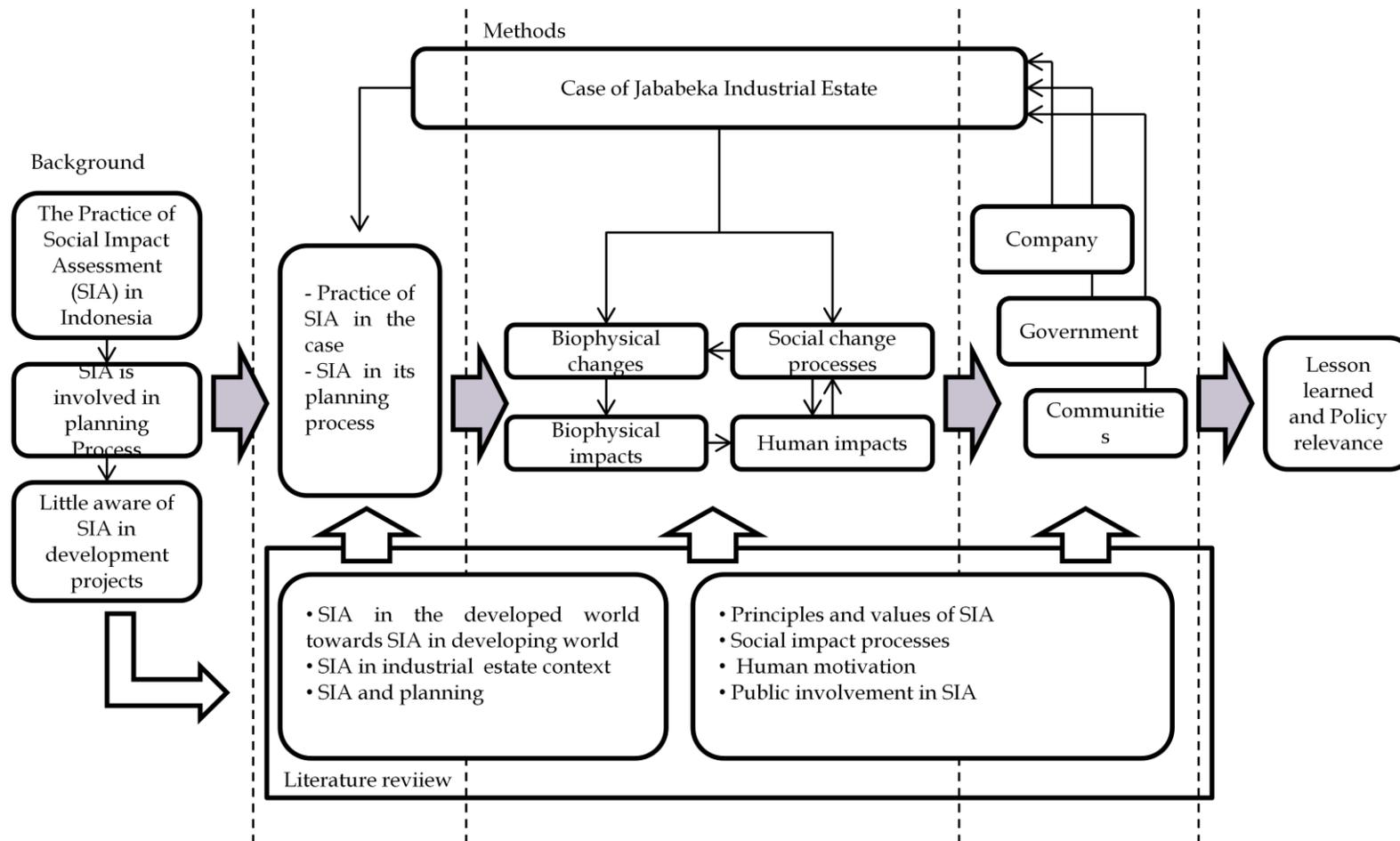


Figure 5: Diagram of conceptual framework

5.3 Data collection

The data in this research are collected through three main activities as follows.

- a. Reviewing several documents related to the Jababeka industrial estate both from governments and company (see table 3 below) are needed to answer the first research question.

Table 3: List of document/regulation/statistic data

No	Type of Document	Organization/institution Name	Remarks
<i>Central government</i>			
1	Long term national development plan document	National Planning Agency	
2	Mid term national Development plan document	National Planning Agency	
3	National spatial plan	Ministry of Public Works	
4	Environmental impact regulation(s)	State Ministry for Environment	
5	Study of environmental impact Assessment	State Ministry for Environment	
6	Industrial estate and park regulation(s)	Ministry of Industry	
7	Study of industrial development strategies	Ministry of Industry	
<i>Local government: Bekasi district</i>			
8	Spatial plan of Bekasi district	Planning Agency of Bekasi	
9	Long term development document	Planning Agency of Bekasi	
10	Mid term development Document	Planning Agency of Bekasi	
11	Local regulation on environmental issues and social issues	Environment Agency of Bekasi (BPLH)	
12	Study of EIA	Environment Agency of Bekasi (BPLH)	If any
13	Local regulation on industrial development	Industrial Department of Bekasi	
14	Document related to demography and economic structure (census data)	Bekasi Statistics	
<i>Developer company: Jababeka Plc</i>			
15	Master plan of the Jababeka industrial estate	Jababeka Plc	
16	Report of environmental monitoring 2013	Jababeka Plc	
17	Annual report 2013	Jababeka Plc	

- b. Regarding the second and the third research questions, conducting in depth interviews to several key informants are required. The key informants are selected based on the desk study through collecting the relevant information towards this research. Hence, the targeted interviewees are presented as in table 4.
- c. Arranging focus group discussion (FGD) with several people from the communities is conducted to answer the second research question and third research question (from the communities' perspective). Two FGDs are considered to hold for the group of people who live before the industrial estate was established and the group of people who live after the industrial estate was established. Each FGD involves five or six persons with different background.

Table 4: List of targeted interviewees

No	Organization	Position	Remarks
<i>National government</i>			
1	Directorate of Industrial, technology, tourism and creative economy affairs, National Planning Agency	Director	
2	Directorate of Industrial Facilitation Region 2, Directorate General of Regional Industrial Development, Ministry of Industry	Director	
3	National Team of Industrial Estate, Ministry of Industry	Chief	
4	Directorate General of Environmental Pollution Control, State Ministry of Environment	Head of EIA section	
<i>Local government</i>			
5	Planning Agency of Bekasi Regency	Head of Spatial planning and infrastructure section	
6	Spatial Planning Department of Bekasi Regency	Head of planning section	
7	Industrial Department of Bekasi Regency	Staff	
8	Environmental Agency of Bekasi Regency (BPLH)	Head of EIA section	
<i>Company</i>			
9	Commercial Division, Jababeka Plc.	Head of Marketing and Business Development	
10	Environmental Monitoring Department, Jababeka Plc	Head of Department	
<i>Communities</i>			
11	Community Village of Teleng	Head of Village	
<i>Other</i>			
12	Industrial Estates Association (HKI)	Secretary of HKI	

5.4 Data analysis

The whole data is analyzed by using qualitative method. The data from documents, interviews and FGD are modified into texts and quotes. Moreover, there are some texts and quotes which are similar and thus categorize them into several themes or codes are employed. These themes and codes are harnessed to answer each of research questions.

In details, the scope of analysis is divided into three types of analysis which are descriptive-exploratory analysis, exploratory-explanatory analysis, and comprehensive analysis.

- *Descriptive-exploratory analysis*; descriptive analysis is employed to describe the condition of SIA practice related to the Jababeka industrial estate. Moreover, descriptive and exploratory analysis is used to describe and explore the extent to which SIA is accommodated in planning processes of the development of the Jababeka industrial estate.
- *Exploratory- explanatory analysis*; explanatory analysis is employed to explain and reveal why the SIA implementation in the case is so. It also is used to explain and analyze the social changes, processes, and impacts caused by the industrial estate and then array them on the relevant concepts. Furthermore, exploratory-explanatory analysis is conducted to explicate the responses of the related stakeholders (governments, company, and communities) towards the changes and impacts, and explain why they do so.
- *Comprehensive Analysis*; This analysis is performed to abstract and reflect the conclusions of each research question and in order to have an overarching and deep understanding of the process of social changes and the implementation of SIA. It is also used in formulating the lesson from the findings to possibly suggest the policy in the near future.

5.5 Ethical consideration

The use of interview and focus group discussion in mostly parts of the method in collecting data might be critical to ethical issues. For the purpose of having appropriate data, these methods should avoid random participants, and thus selecting key informants to be interviewed is essential. To involve these key informants, some criteria are applied. In doing so, the concept of informed consent is highly necessary. Informed consent is when the people who participate in the research have a full understanding of the context of the research and understand the possible risk (Babbie, 2007). The interviewees and the participants of FGD were given the overview of this research and also informed that their responses would be recorded. Furthermore, the concept of confidentiality is applied as well. This research guarantees that their names are not mentioned in the report, certain responses from each of key informants are not published and the records are removed afterwards. With regard to the whole processes of the research, the results are reported with fully honest which involve the errors, limitations, and shortcomings.

5.6 Issues on positionality and limitation

The issues on positionality are important when conducting a research. It more or less can influence the way of a researcher see, analyze, and interpret an object of study. Particularly in this research, the author already has adequate comprehension with regard to the typical cases in the context of Indonesia, since Indonesia is the country where the author comes from. Nonetheless, the concept of SIA is something new for the author. Learning SIA has led author's interest to how to manage social issues in development. Moreover, the author comes from urban and regional planning background which considerably helps to engage the issues in this field towards SIA and vice versa. The author's working experience in dealing with industrial estate development has also contributed to the initial thinking towards this research.

A research will never be detached from its limitation. It is understood that collecting data and information would not be easy since they tend to be confidential. As experienced in this research, it was conceived that the issues are sensitive to certain people so that it needed more to be careful to explain the aim of this research to them. For example, in the first visit to the community, they tended to be skeptical and afraid when invited to the focus group discussions and asked about several things especially related to their personal feelings and opinions. Dealing with this condition, the author tried to carefully formulate the questions and set the discussions in such informal settings so that they can relax and do not feel burdened to express and explain what they truly feel. The author also tried to manage several visits to the communities intended to engage and create such a bonding with them, prior to the real discussions.

There were also several problems when identifying source of information in primary and secondary data acquisition. When interviewing the government officials or the private company, it should be kept in mind that people with high positions in their organizations, such as the head agency or the head department, are not always the right people to be interviewed. In practice, the author found that government officials who really deal with and exactly know the issue are occasionally people in lower position (technical staff). For the focus group discussion, the author tried to carefully select the participants based on several criteria and also based on the suggestions from the leader of communities so that the participants are the appropriate people to be involved in the discussions. The author also had to deal with some constraints when collecting the information from government's document. There are several typical conditions that storing documents in a government system like in Indonesia is quite far from well-organized. In case of missing documents, thus the author tried to compose questions whose answers are probably in the documents, but can be answered as well by the key informants in government agencies.

Meyer (2005) argues that information is a resource which is intangible, interdependent, culture dependent, context dependent, and conversion dependent. Thus, information can be useful or less useful depends on how they are seen and treated. In conducting this research, there was a time when a bunch of information came out but they might not seem necessarily important to answer the questions. Hence, sorting and categorizing the information thoroughly were conducted so that any important information is not missed.

CHAPTER 6

Towards the case of the Jababeka industrial estate

This chapter presents the case of the Jababeka industrial estate which comprises some information and findings to answer the questions of this thesis. It consists of seven sub-sections which explains the position of the Jababeka industrial estate at regional level, the characteristic of the Jababeka industrial estate as industrial township, the related key stakeholders, impact assessment in its planning process, the perceived social impacts and changes and the responses those impacts and changes.

6.1 Bekasi district: positioning the Jababeka industrial estate at the regional level

The dynamic changes in demographic, economic and also political situation have been transforming the spatial characteristics in Jakarta and its adjacent areas to be more urbanized and industrialized. Firman (2009) argues that economic crisis at the end of 1990s and the local autonomy or decentralization policy have affected the urbanization pattern in Indonesia recently. In addition, Hudalah et al. (2013) discuss that large-scale land development, particularly driven by private sectors, has also played roles on suburbanization in Jakarta Metropolitan Area (JMA). The most prominent factor of land development in JMA is forced by industrial development in which industrial activities have been running massively since almost three decades ago. JMA comprises Jakarta (the capital city of Indonesia) and several districts and municipalities. Bekasi district, in which Jababeka industrial estate is located, is also part of this so called regional integration. The map of JMA and Bekasi district is depicted in figure 6 below. It shows the regional boundaries among the regions in JMA and also the roads which connect them.

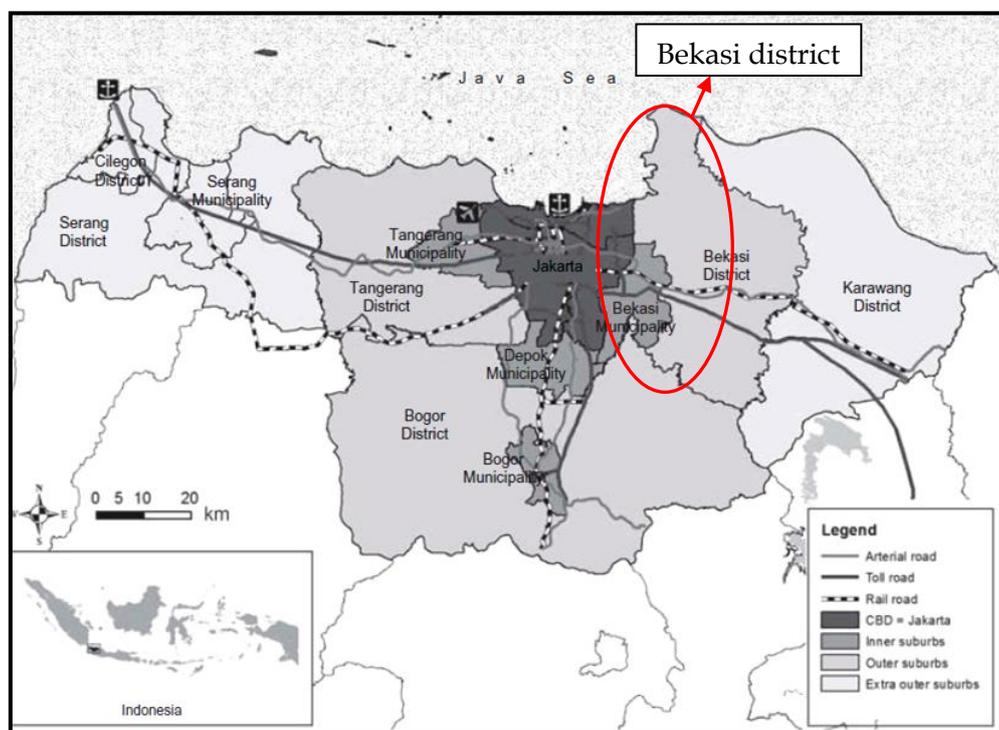


Figure 6: Positioning Bekasi district in the JMA (source: Hudalah et al., 2007 with modification)

Bekasi is located at the east part of Jakarta and administratively part of West Java province. It covers a total of 127.388 Ha areas and consists of 23 sub-districts. According to West Java province regulation No.13/1998, Bekasi is appointed as industrial zone or to some extent as industrial region. As can be seen in figure 6, Bekasi and almost all areas in JMA are also benefited with the presence of toll road which attracts the actor of industrial business to invest. Hence, Bekasi is now dominated by industrial activities, and has been becoming the largest industrial agglomeration in JMA (Hudalah et al., 2013). Thus far, there are up to seven industrial parks in Bekasi which have been becoming the key engines to boost the economic growth of Bekasi.

Demographic features of Bekasi are also affected by the industrial activities. In 2009, the total population of Bekasi is 2,225,177 inhabitants, while the fact reveals that the increasing of population based on migration is higher than the natural growth. The rate of population growth in Bekasi is 6.3% each year, where 4.5 % is accounted by migration (local government, 2014). Since the growing of industrial activities in Bekasi, there has been a shift on people's employment from agriculture sector to industrial sector. It is noted that in 2011, the majority of employed people are working for industrial sector, followed by trading sector, and agriculture sector (ibid).

6.2 Jababeka industrial estate as industrial township

The Jababeka industrial estate established in 12 January 1989 is the first agglomeration of industrial activities located in Cikarang sub-district, Bekasi. Currently, it becomes the largest industrial estate in Indonesia and South East Asia. It is developed by a developer company named Jababeka Plc. Plc that Jababeka is a publicly listed company in which its shareholder opens for public as well (it was Jababeka Ltd before 1994). Until now, the major shareholders of Jababeka Plc are Meadowood Capital Ltd (a US investment firm) and Intellitop Finance Ltd (an Indonesian firm) which accounts for 12.65% and 7.32% respectively. The company currently operates two other land development businesses in Indonesia besides in Bekasi.

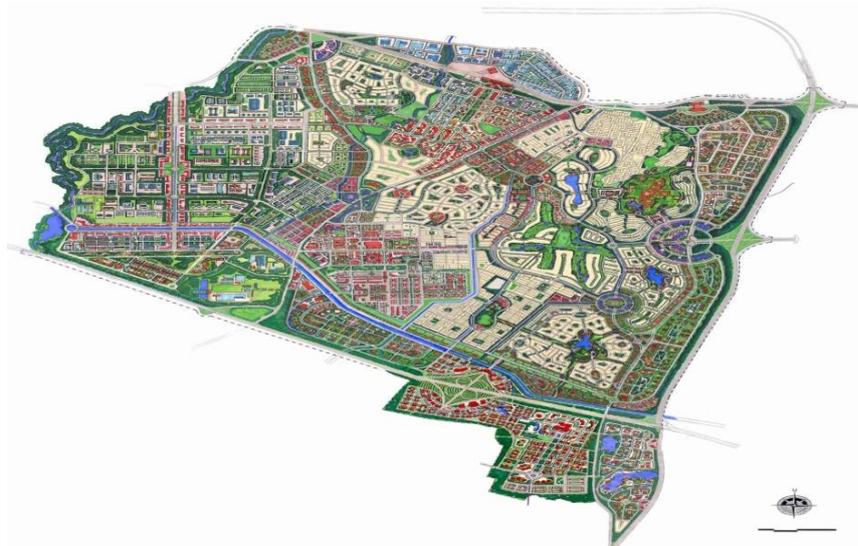


Figure 7: Bird-eye view of the Jababeka industrial estate (Source: Jababeka, 2015)



Figure 8: The Jababeka industrial estate at glance (source: author, 2015)

The Jababeka industrial estate is known as “Kota Jababeka” which means Jababeka city. This name comes with some reasons. It is particularly due to the nature of services provided by the company. In the beginning of its establishment, Jababeka industrial estate was prepared for the service with regard to industrial activities only. Nevertheless, the company saw the opportunities to expand the services into other supported facilities and infrastructures particularly property sectors such as real estate, business center, education center, park and leisure center, logistic and so forth. It was fully developed by the company without any intervention from other parties such as government. The site map of Jababeka industrial estate thus presented as in figure 7.

“The born of the Jababeka industrial estate as an entity was a result of the side-effect of the toll road. When road infrastructure is developed, thus other property businesses followed” (interview type 03A)

“In 1989, there was a president decree which mandated that industrial park should be developed by private sector, therefore, government were not involved in the development of the Jababeka industrial estate” (interview type 01C)

The Jababeka industrial estate has been growing to be an industrial township which covers 5,600 Ha of areas and is inhabited by approximately 1 million people. For the industrial activities, it is comprised by 1,650 national and multinational companies from 30 countries in the world (United States, United Kingdom, France, Germany, Netherland, Australia, Japan, China, Taiwan, Singapore, and others) and it employs more than 700,000 workers and 4,300 expatriates (Jababeka, 2013). Those companies vary from electronic, chemical industry to automotive as Samsung, Loreal, Mattel, Unilever, and Honda just to name a few. In its journey of industrial estate business in Bekasi, the Jababeka industrial estate has expanded its areas from what they called the Jababeka industrial estate 1, the Jababeka industrial estate 2, the Jababeka industrial estate 3, the Jababeka industrial estate the Jababeka Industrial 6, and

the last is Jababeka industrial estate 7 which is still in progress of plan and development. To have a real description, Figure 8 shows several scenes of the Jababeka industrial estate.

As the developer and operator who is responsible of the activities within its area, Jababeka Plc claims to commit on environmental-oriented management which is proven by achieving ISO 14001 on environmental management system and green award from the State Ministry of Environment in 2009 and 2011. Several achievements and awards from other institutions and magazines with regard to green management and quality of management also have been received by the company.

6.3 Mapping the key stakeholders

Mapping the stakeholders who are related to Jababeka industrial estate is essential to understand the application of SIA in Jababeka industrial estate. As discussed in the previous section, the main proponent of Jababeka industrial estate is the developer company (Jababeka Plc) which is a private sector (in spite of its open public shareholders). The operator of its industrial estate particularly is delegated to the subsidiary company named Jababeka Infrastruktur.

Government also plays important role as the proponent. Tracing back to the time when Jababeka industrial estate was established in 1989, central government is the stakeholder who issued the permit for the developer company to build the industrial estate. It was in line with the president decree mentioned that industrial estate should be established by private sector. As the transition to decentralization system in Indonesia's government, thus the regulation of local autonomy has brought the local government of Bekasi to be the important actor who is directly related to the Jababeka industrial estate and interacts with the developer company. Local government has the authority to give license or permit for the developer company with regard to land management, environment license, or land expansion.

However, it is interesting to also look at the taxation system applied in Indonesia in order to understand the position of the central and the local government towards the Jababeka industrial estate. In Indonesia, value added tax and income tax are levied by central government, while other small taxes flows to local government. In accordance to Jababeka industrial estate, thus central government is benefited particularly by the taxes (both value added tax and income tax) which come from the presence of the Jababeka industrial estate. Because of this, central government still has huge interest in the Jababeka industrial estate despite the fact that local government is now the main counterpart of the developer company to deal with.

To think through the application of SIA in one project development, the ones who perceive changes and impacts are the main focus. In almost every project of development, local communities perceived changes and impacts both positive and negative. As in the case of Jababeka industrial estate, since it is located in Cikarang sub-district, Bekasi, which comprises several villages habited by local people, thus the local people in these villages are highly considered to be included in this key stakeholder mapping. In certain case, project development also attracts migrants which need to be concerned as the key stakeholders as well.

Many communities who live around the Jababeka industrial estate can be differed into two big groups; local people and migrants. For the purpose of this research, local people and migrant people in Teleng village, South Cikarang Sub-district is chosen to represent the communities around the Jababeka industrial estate. They are chosen based on several

justifications. The most prominent reason is because they live very close to the very first block which was developed in the beginning of the establishment of the industrial estate (this block also known as the Jababeka industrial estate 1) and because they also live in adjacent village which create enclave. With regard to enclave, the Jababeka industrial estate has to deal with the occurrence of enclaves, since the developer company failed to deal and negotiate with people for land acquisition.

“In the beginning of development, the Jababeka industrial estate only used more or less 20% of people’s land. The rest used vacant land or agricultural land (owned by few people). Several villages are inevitably mixed with the Jababeka industrial estate because they people who live there do not want to move. Thus based on agreement, they live side by side with the industrial estate” (interview type 03A)

Table 5 below tries to illustrate the key stakeholders with regard to the Jababeka industrial estate. It identifies in general about their position towards the Jababeka industrial estate. When understanding the implementation of SIA, one should be noted that it is necessary to not treat and distinguish the related stakeholders either as the object or as the subject. All stakeholders can play role as both object and subject which depend on the context of the case.

6.4 Planning process of the Jababeka industrial estate

This section tries to shed a light on the planning process of the Jababeka industrial estate. As discussed in Chapter 3, it should be considered that generally SIA in the context of Indonesia appears as assessing social impacts within the process of EIA. This seems to happen because there is no legal basis and specific regulation and institution which urge to implement SIA as a comprehensive process to underpin project development.

Table 5: Positioning the key stakeholders in the Jababeka industrial estate

Positioning	Jababeka Plc	Central government	Local government	Communities	
				Local	Migrant
Developer & operator	V				
Regulator		V	V		
Related to license and permit			V		
Major tax collector		V			
Minor tax collector			V		
Supporting infrastructure		V	V		
Working for industrial estate				V	V
Carry local values in society				V	
Carry new values to society					V
Perceive changes and impacts near the project				V	V

(Source: author, 2015)

Planning can arguably scope three main activities in form of plan-making, implementation and monitoring, and evaluation. To elaborate chronologically on this issue, tracing back towards these planning activities from the time of the establishment of the Jababeka industrial estate until today would be relevant. It must be admitted that the process of plan-making is rather difficult to be tracked, particularly because it was not documented properly on that time. However, the Jababeka industrial estate technically had been in a plan-making process by creating its master plan. The master plan is reviewed and modified annually in every five years in which the newest one is in 2007 (based on the interview type 03A). The master plan in nature does not involve social issues or impact assessment since it is very technical in arranging the sites and zone within the area. Hence, the issue of impacts is accommodated in its impact assessment process (EIA) and managed separately through the CSR programs and community development programs. The detailed of planning process in the Jababeka industrial estate are elaborated as follows.

Plan-making

As mentioned beforehand, the output of plan-making activity with regard to the development of the Jababeka industrial estate is the master plan which does not give any information about impact assessment since it is very technical. Nevertheless, the master plan always refers to the regulation and the spatial plan of Bekasi district, as such it adjusts to the higher planning system. Despite referring to the spatial plan of Bekasi district, the master plan does not refer to other important plan which is the zoning plan of Bekasi. Until today, the zoning plan is still in the making process conducted by the local government. Accordingly, the whole process of preparation such as the project development proposal, the environmental impact process, and CSR analysis and program can be accounted as part of the plan-making stage.

The involved actors are critical factors which can determine the quality of planning process. It arguably can be said that central government and the developer company are the actors in the first plan-making of the Jababeka industrial estate in 1989. The local government had less intervention due to the centralized government system on that time. In details, central government which consists of several development agencies such as national planning agency, ministry of home affairs, ministry of industry, and state ministry of environment issued their own regulations which were seen as directives and opportunities by the developer company to develop the Jababeka industrial estate.

“In the early 1980s, ministry of industry was highly involved in plan-making of industrial parks, even as the operator. In the end of 1980s, government realized that regulator and operator should be separated. Therefore, we give opportunities for private to build and operate industrial park” (interview type 01C)

The study of EIA was conducted a year after establishment of the Jababeka industrial estate. It was supported by the environmental management and monitoring plan known as RKL-RPL plan in Indonesian term. This plan contained the aspect of human impacts which were considered as social impacts. However, an independent of social impacts study was not considered.

“Study of social Impacts in every development project is needed, that is what had not done by the Jababeka industrial estate in the beginning of its development project” (interview type 01B)

The plan-making process, however, is not limited to the plan-making in the beginning of the first development only. It also encompasses the plan-making process when the developer company revises the plan, improve the plan, create related programs, and to a larger extent when the developer company wants to expand and improve the business areas and supportive infrastructure which require modified master plan, new EIA study, new program of Corporate Social Responsibility (CSR), and so forth. Table 6 below summarizes the activities with regard to the plan-making of the Jababeka industrial estate.

Plan implementation

The appropriate way to see the plan implementation which has been conducting by the company developer is by contesting what have been contained in the planning document and any related document to the execution. It also will be fruitful for the discussion, by looking at how the plan implementation is guided by the related actors. Based on the report of environmental monitoring, the developer company delineated several zones in the master plan, including housing zone for the workers, as mandated in the industrial estate regulation issued by central government. The construction for the housing was conducted in 1992 followed by creating the subsidiary company for managing the housing development.

Table 6: Plan-making in the Jababeka industrial estate

Actors	Plan-making in the early of establishment of the Jababeka industrial estate	Plan-making in the operation the Jababeka industrial estate
Developer company	<ul style="list-style-type: none"> • Created master plan which did not accommodate social issues because it is too technical • Refer to spatial plan of Bekasi district • Cannot refer to zoning regulation since there was no zoning regulation in Bekasi district • Arranged EIA which consists of social aspects 	<ul style="list-style-type: none"> • Revise master plan due to other business opportunities • Modified EIA in every 6 months, when proposing new expansion areas or when the new regulations are issued by governments. • Refer to spatial plan of Bekasi district • Cannot refer to zoning regulation since there is no zoning regulation in Bekasi district
National government	<ul style="list-style-type: none"> • As the regulator which issued legal basis and enabled developer company to build industrial estate • Indicated the location of Jababeka industrial estate in Bekasi spatial plan • less control in the EIA process or impact assessment process 	<ul style="list-style-type: none"> • Less control in guiding master plan making and EIA study (due to decentralization system) • Participate in EIA study when local government ask to participate as assessor
Local government	<ul style="list-style-type: none"> • Less intervention in the master plan making process • Less intervention in the EIA process 	<ul style="list-style-type: none"> • Indicate the location of Jababeka industrial estate in Bekasi spatial plan • Do scientific study for Bekasi spatial plan with regard to social issues in industrial estate in Bekasi as whole • Bigger authority to guide the plan making by rules and regulation (in decentralization system today) • Bigger authority to guide the EIA study

(Source: Summarized from the interviews, 2015)

To strengthen the plan implementation on supportive infrastructure, such as infrastructure for clean water provision, waste-water treatment, and others, the developer company created other subsidiary company. In 1997, the developer company formed an organization which named public Service and Empowerment Organization (LPPMC) to address the social issues. LPPMC plays role on managing programs in CSR and community developments. It is stated that social and economic aspects of communities who live around the Jababeka industrial estate are managed in the RKL-RPL plan on regional scale (Jababeka, 2013). To summarize the social and economic aspects which were identified in the RKL-RPL plan, table 6 below presents the predicted social impacts with regard to the Jababeka industrial estate.

The general prediction of social impacts as mentioned in table 6 were managed by different actors based on their role, be it the local government, central government, or the developer company. The role of actors in this plan-implementation stage mainly to guide, control, and monitor the implementation of master plan as its technical plan and the implementation of the RKL-RPL plan as its environmental management and monitoring plan based on the spatial plan regulation and the EIA regulation applied on that time (See **chapter 3** for details). In the ongoing implementation, both the local and the central government offered their assistances to support the realization of the plan, for instance, they built external infrastructure of the Jababeka industrial estate which used sharing mechanism. In addition, the implementation of the plan follows the indications within the master plan, but the details implementation adjusts to current situations. Particularly, in the implementation of the RKL-RPL plan, the industrial activities and the dynamic changes in the people and society are monitored by the developer company. Moreover, the monitoring of the RKL-RPL plan is assisted by LPPMC mainly every once a year. Based on this action, thus the developer company can modify and improve the plan to adapt current issues.

Table 7: Predicted social impacts in the RKL-RPL Plan of the Jababeka industrial estate

No	Predicted social impact	Source of impact	Management period
1	Public security	Social jealousy, unfavorable settlement, interaction between employed people and unemployed people	From the construction to the operational of the Jababeka industrial estate
2	Public health	Great inflow of migrants while collective facilities are limited and sanitation facilities are poor.	From the construction to the operational of the Jababeka industrial estate
3	Job opportunity and entrepreneurship opportunity	Operational activities within the Jababeka industrial estate	From the construction to the operational of the Jababeka industrial estate
4	Education level	The competition to work in the Jababeka industrial estate	From the construction to the operational of the Jababeka industrial estate
5	People's feeling and perception	The growth change in the surrounded area which contribute to local economic performance	From the construction to the operational of the Jababeka industrial estate

(Source: *The RKL-RPL Plan, 2013*)

The predicted social impacts in table 7 were not formulated in the plan-making process before the development of the Jababeka Industrial estate. Some of them were considered when the developer company wishes to expand the area for other business opportunities. Furthermore, each of the predicted social impacts is tackled by the programs of impact management which are contained in CSR programs and community development programs.

Plan evaluation

Plan evaluation is mostly executed in a manner of ex-post which is after the event. It seems to be relevant to understand the use of evaluation term in this discussion. Practically, the master plan and the RKL-RPL plan are evaluated based on certain periodic time. Hence, the evaluation is almost simultaneously conducted with the plan implementation and monitoring. In other words, once a periodic time of plan is finished, the evaluation is performed while the implementation is occasionally still ongoing. According to the related rules on spatial plan and environmental impact, the developer company should evaluate the implementation of the plan periodically. For instance, the evaluation of the RKL-RPL plan is conducted and reported to related government stakeholders (both local and central) in every year or six months. This is done also in order to follow the modified plans in the plan implementation. Detail to social issues in the RKL-RPL plan, the developer company conducts some surveys in communities to gain the information regarding their perceptions and then analyze this information to be some inputs to improve the next plan.

In the level of local government, there is a division to evaluate the implementation of the plan of the Jababeka industrial estate. A division in spatial planning department and a division in planning development agency evaluate the activities with regard to the master plan, while a division in environment agency evaluates the activities with regard to EIA study and RKL-RPL plan. Particularly, the government regulation No. 27/2012 already mentions that each of project proponents should conduct an evaluation report towards implementation of EIA and impact management plan every six month. However in the case of the Jababeka industrial estate, the local government claimed that the evaluation report of the Jababeka industrial estate is not reported annually every six months as stated in the regulation, but it depends on the willingness to report of the developer company. In addition, when certain activities of plan implementation are perceived irrelevant by the people, local government opens for complaints and brings them to the evaluation stage.

Public involvement

Planning is about decision making process which considers the input from tremendous aspirations of many related stakeholders. Hence, the three big activities of planning process mentioned earlier ideally should include public involvement process. Public involvement in the planning process of the Jababeka industrial estate is rather difficult to clarify, particularly because the plan-making was conducted more than two decades ago and very little information is documented. Nevertheless, the announcement and the public consultation are done when arranging the EIA study and impact management plan but it is confirmed that the involvement of communities is less in the decision making process (based on interview type 03A). Communities start to be involved when programs such as CSR programs and community development programs are already assigned and ready to be implemented.

6.5 Identifying perceived social impacts

This section seeks some insights regarding the social changes and impacts in the communities who live nearby the industrial estate. Two FGDs were conducted to raise the opinions and arguments from the people. The FGDs took the participants from the Teleng neighborhood, Karangbaru village, Cikarang Utara sub-district, Bekasi district (as in figure 9).

It is located very close to The Jababeka industrial estate 1 (the first development phase of the Jababeka industrial estate), and also close to several independent industries which do not affiliate with the Jababeka industrial estate. The participants in the first FGD and the second FGD respectively are the local people who already live in this neighborhood before the industrial estate was established and the migrant who live there after the operation of the industrial estate. To make the discussion more understandable, the perceived changes and impacts on local people and migrant are presented separately as follows.

Local people

It is rather challenging to gain the information from the people with regard to changes and impacts because the way they define the meaning of change and impact varies. In addition, they are likely to define changes as impacts and the other way around.

- *Physical changes*

The local people who already live there before the presence of the Jababeka industrial estate have been experiencing the gradual changes from agricultural land to industrial land until today. They are also getting use to the changes in air and water condition which degrade from time to time as the industrial activities are growing bigger. Nonetheless, some agree that the infrastructure such as roads have improved. In addition, the changes in land use are not only to be industrial land use, but also to be commercial land use and settlement land use. Particularly, the blooming of rented houses around their living environment is the most significant change which is common to find.

- *Physical impacts*

Physical impacts are derived from the physical changes being experienced by the local people. They claim that there are no longer agricultural activities around which can be indicated as the decrease on agricultural productivity. The land use changes also create less space for them. However, they admit that they are helped by the presence of good road infrastructures. Interestingly some of them mention that high activities around their living environment are the changes which make their living environment more vibrant in a positive way, while the rest of them mention that their living environment becomes crowded place which means it is perceived as a negative impact. Most of them also mention the polluted surface water and the heat as the impacts of industrial activities.



Figure 9: Teleng neighborhood (source: author, 2015)

- *Social changes/processes*
The huge amount of inflow migrants who work for industries in the Jababeka industrial estate are indicated as the social change or process which occur around their living environment. This change creates the second orders of social processes which are local employment and migrant employment. Central to migrant employment, this change likely creates the third order of social processes, in which the opportunities of local people to work in the industries become less, so that local unemployment is happening.
- *Social impacts*
They admit that economic welfare has improved partially (for those who can make a living by working to industries, building rented houses, or selling foods). Nevertheless, many local people are less competitive to work in industries in the Jababeka industrial estate, thus the local unemployment happens. This leads to sort of social jealousy between the local people and the migrants. It is revealed that income gap between them and the bigger opportunity to work in industries for migrants are the factors which likely trigger this social jealousy.

Borrowing few principals from Slootweg et al. (2012) in identifying changes and impacts, thus the diagram in figure 10 tries to posit the identified changes and identified impacts on local people as elaborated earlier. In spite of those changes and impacts, their perceptions on their living environment are mostly fair in a sense that they understand that living around industrial activities inevitably creates certain consequences which should be accepted as their reality. However, they also mention that their own living environment is not really comfortable since the environmental wastes are not well-managed. Moreover, when asked about their perceptions towards the Jababeka industrial estate, some of them tend to give a good perception due to the collective job opportunities. Meanwhile, the rest of the participants put forward to a less positive perception as they assume that the developer company less concern on them.

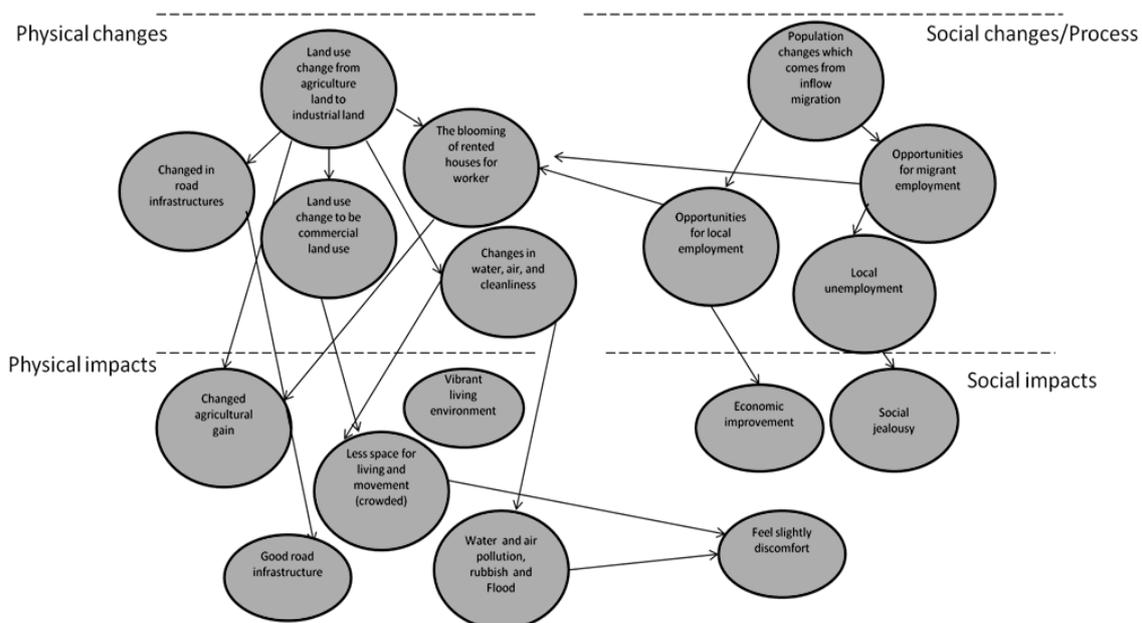


Figure 10: Perceived impacts on local people (source: First FGD with local people, 2015)

Migrant people

The discussion also invites the migrants who live in this area to gain some insights from their position. The following list is the identified changes and impacts which are perceived by the migrants.

- *Physical changes*
The migrants came to the neighborhood after the operation of the Jababeka industrial estate and have been living there for several years. They have been witnessing that the industrial activities are getting more intense. Meanwhile, most of them mention that the significant change they have been experiencing is that their living environment becomes more compact and dense. The increased amount of rented houses is also the change they have been noticing. Moreover, all of them agree that their living environment become less clean and the air is dustier.
- *Physical impacts*
The physical impacts which are mentioned by the participants come in form of congestion in the neighborhood road. They also feel uncomfortable with the air condition because it is too dry and too polluted. However, some of them state that the denser of their living environment has been creating a more viable place. Furthermore, the increased of industrial activities are felt as the factor which triggers the flood since the water catchment areas have diminished.
- *Social changes/processes*
Becoming a populous place is sort of change which they mention the most as the social change around them. It leads to the creating of job opportunities which is an advantage for them. However, they experience the disparity income among the people who live there. Some of them think that the industries within the Jababeka industrial estate are blamed as the one who create this disparity in which those industries give such unfair wages.
- *Social impacts*
It is admitted that the presence of the Jababeka industrial estate has attracted them to move in and seek job opportunities there. They also note that the respiratory disease seems common to happen in children who live around the Jababeka industrial estate. They mention that their economic welfares have improved, yet some of them say that they still feel unfair and uncertain with regard to their economic conditions.

Akin to figure 10, thus figure 11 below also tries to illustrate the changes and impacts on migrant people which may trigger one to another as to give a clearer underlying process of impacts. These migrants were also asked about their living environment, which were surprisingly answered that it is bearable to live there in spite of those impacts. They tend to focus on the economic improvement that they wish to get as the impacts of the presence of the Jababeka industrial estate. Moreover, dissatisfactory feeling towards the Jababeka industrial estate appears, in a sense in which they feel that the developer company give less attention to their living and social environment.

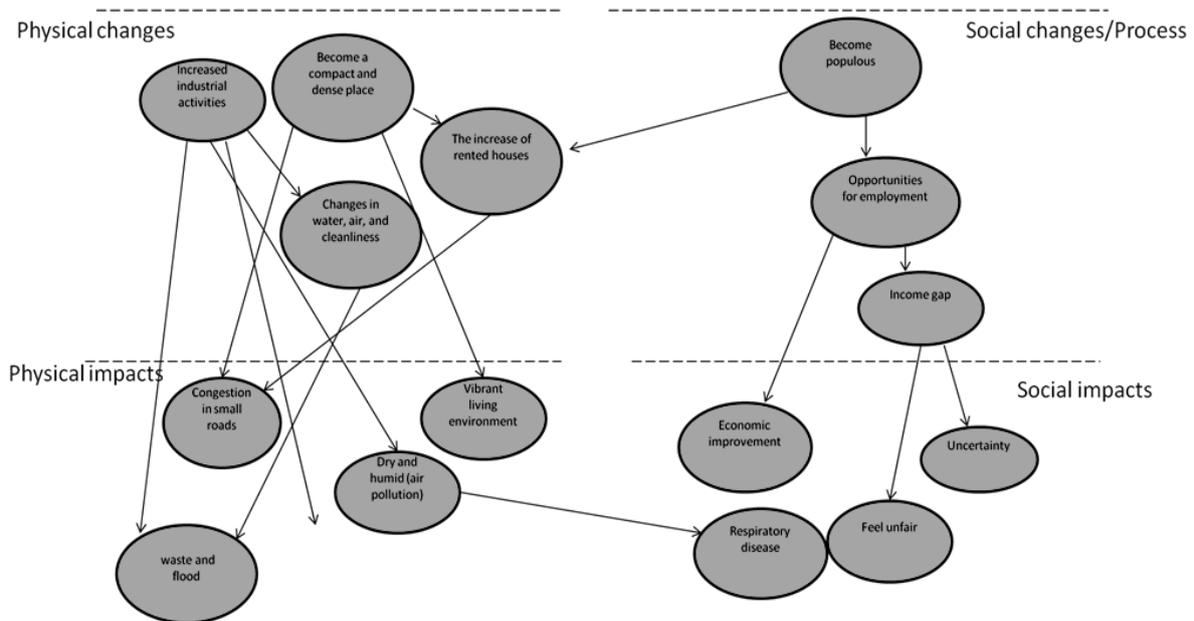


Figure 11: Perceived impacts on migrants (Source: second FGD with migrant, 2015)

6.6 Responding and learning from the impacts

The earlier sub-sections have presented the SIA in planning process of the Jababeka industrial estate and the perceived changes and impacts on the people who live around the industrial estate. As such, this sub-section aims to place the responses from the stakeholders and the communities in addressing the occurrence of those impacts as explicated below.

Central government

Some pessimistic views from the side of central government tend to appear with regard to the social impacts of the Jababeka industrial estate because it is realized that the adjacent areas around the industrial estate have been growing uncontrolled since the beginning. There was a revitalization program initiated by the central government and the developer company to tackle the issue of uncontrolled settlements (squatters, slums, and rented housing) but it turned out to be not effective due to the failure in the coordination among the stakeholders. CSR and community development programs are seen as the common aid to help a few of certain issues, but not the core issues with regard to the exact social impacts. Accordingly, CSR programs should not be considered as the main tool to overcome the impacts. It is suggested to fix the taxation system in order to give the local government a sufficient amount of tax revenue which can be used to manage the social impacts. The national budget to address the issues is in form of programs which are coordinated with the local government (for example, Ministry of Housing coordinates with the housing agency at local government to formulate program with regard to the settlement issues). However, there is a need to synchronize actions among all stakeholders, especially between local government and the developer company.

Learning from the case of the Jababeka industrial estate, it is necessary to include the concept of quality working life in the planning process of industrial estates in the future. It means that industrial estate should provide infrastructures to support the workers' life, such as settlement, market, and so forth. Moreover, the plan-making should be guided by social study besides EIA study, while the plan-implementation and plan-monitoring should be underpinned by the involvement of public awareness. Central government also issues the new

regulation in industrial estate guidelines has been formulated to consider the establishment of innovation center which aims to educate local people.

Local government

From in depth interviews with several key informants in several agencies, local government respond to the impacts by coordinating and delegating each of impacts to the appropriate agencies at local level. For instance, the issues on population is delegated to labor department, the issues on water pollution is given to environmental agency, and so forth. Local government also does coordination with the developer company to identify the needs of the people around the Jababeka industrial estate and canalize those needs to the so called CSR forum (a forum created by local government which consists of the industries in Bekasi district). However, it is difficult to intervene the activities of the Jababeka industrial estate, even under the local autonomy regulation, because the Jababeka industrial estate has a strong attachment to central government. The local government once created a small-scale industry program to be linked in one area inside the Jababeka industrial estate. This program tried to promote local economy as such local unemployment can decrease. However it did not run well since the allocated areas for small-scale industries are seen as the potential land to attract other bigger investments. The coordination with regards to the social impacts is in one-to-one manner, in which it is likely to be coordination between people and government, government and the developer company of the Jababeka industrial estate, the developer company and the central government, central government and local government, and so on, while the collaborative process which bring all stakeholders together are rare. Towards future, it is suggested that all industrial activities should be located inside industrial park/estate to avoid uncontrolled pollutions.

The Jababeka industrial estate (the developer company)

CSR programs and community development program are the main tools of the developer company to respond the impacts. All the programs are perpetuated by the funds collected from all the industries within the Jababeka industrial estate. For the effectiveness in running the programs, an organization to manage the programs is formed (called LPPMC as discussed in **sub-section 6.1**). Similar to local government's reaction, the coordination is usually conducted when the impacts already occurred in a manner of case by case. Towards the future, the developer company considers that it needs a relevant regulation which can balance business interest and people interest. Furthermore, it is wished that the governments (both local and central) can be the facilitator of communication between the developer company and people.

Communities

Both local people and migrants mention that they do not know how to respond the impacts besides merely accepting the impacts as the logical consequences of living there. Actually, most of them have the willingness to participate in the plan-making, plan-implementation, and plan-evaluation of the Jababeka industrial estate, but they are never invited for such an involvement in planning process. Particularly in monitoring the operation of project, they prefer to not convey their complaints and opinions with regards to the impacts. It is because they do not know how to deliver those complaints and opinions and feel anxious if they speak openly. They also emphasize that they are not really aware of certain impacts because they think that the main concern of impacts should be more towards the improvement of economic welfare.

6.7 Remarks

The planning process of the Jababeka industrial estate was generally conducted by the absence of government intervention and community involvement. Central to the impact assessment study as part of planning process, it is worth to note that what has been done (by the developer company in their impact assessment study) is rather as indentifying impacts after the impacts already happened. It is because the process of formulating the predicted social impacts was conducted after the industrial estate operates. As a consequence, most of the predicted social impacts mentioned on the impact management plan (RKL-RPL plan) unsurprisingly do happen in the communities around the industrial estate and unfortunately become difficult to control until today.

CHAPTER 7

Discussion and conclusion

7.1 Discussion

This section elaborates on some discussions abstracted from the previous theoretical discussion and the findings in the case of the Jababeka industrial estate, in order to answer the research questions raised in the beginning of this thesis.

SIA in the planning process in Indonesia

Part of the ideas of this thesis is predominantly to capture the extent to which SIA is accommodated in planning process of project development in the context of Indonesia by taking a case study in Jababeka industrial estate. It is rather a tricky judgment to account that the application of SIA in Indonesia is still far for its main use in project development as more or less similar to its application in the case of the Jababeka industrial estate. Nevertheless, the main argument of the previous statement is because SIA is not a concept or tool which is essentially brought to the regulatory realm in Indonesia. Hence, the search on understanding of the application of SIA thus is directed to other customary impact assessment as EIA.

Prior to the details of the accommodation of SIA in the case of the Jababeka industrial estate, it is necessary to look at the policy and regulatory circumstances which enable or require the implementation of SIA in Indonesia. Momtaz & Kabir (2013) find that the attention of impact assessment in developing countries is particularly conducted through EIA. Fairly speaking, there is no single regulation which orders the application of SIA in Indonesia. On the other hand, there are some adequate rules and regulations to implement EIA (as accounted already carry the concern on social impacts) which makes it highly considered when doing project development in Indonesia.

Furthermore, comprehending the accommodation of EIA in planning process in Indonesia is rather challenging since planning in Indonesia usually has certain own problems and issues which are very critical and daunting. Prominently, the issue with regard to the implementation of EIA in project development is likely to be one of those serious problems. In details, EIA study seems to be lack in the implementation and evaluation due to the weakness in EIA regulatory enforcement, as such it drives to the deficiency in the whole planning process of a project and eventually places EIA study to remain as one of the obligatory requirements to goal a project. In addition, the inconsistency and conflicting regulation in planning system in Indonesia leads to the poor planning implementation particularly in land management and public involvement which also takes part to hinder the implementation of EIA.

The application of SIA: the fallacies in the planning process

Some findings in the planning process of the Jababeka industrial estate might indicate the extent to which SIA is accommodated in its planning process. However, the bigger picture of the implementation of planning and also impact assessment in Indonesia (as in **chapter 3** and **chapter 4**) tend to generalize an initial comprehension to be similar as in the case of the Jababeka industrial estate.

Mapping the involved actors or stakeholders in the planning process of the Jababeka industrial estate is fruitful since each of stakeholders arguably plays roles for the successful of the planning process. Four actors are identified as the stakeholders who are likely to have

certain interests on the project development of the Jababeka industrial estate. Those actors are the central government, the local government, the developer company of the Jababeka industrial estate, and the communities. In the practice, there are only three biggest influential actors in the planning process which are the central government, the developer company, and the local government. These actors are linked to several elements of planning processes from plan-making to plan-evaluation to be discussed shortly.

Regarding the plan-making process, it is necessary to understand it as a continuous, ongoing and dynamic process as similar as the characteristic of the whole planning process. Hence, two different time conditions of plan-making stage are categorized with regard to this nature. First is in the early of the establishment and second is in the stable operation time of the Jababeka industrial estate until today. In accordance to the role of stakeholders, the power of each stakeholder (particularly the central and local government) to intervene the plan-making stage has fluctuated in those time conditions. It is due to the shift from centralized to decentralized government system in Indonesia (Firman, 2010).

In the early of the establishment, the impact assessment study was conducted a year after the industrial estate started to operate and it did not consider a public involvement process. This fact already reveals the first fallacy in its planning process in which the early of the plan-making stage did not capture the function of SIA to provide information in the plan-making process as Burdge (1987) argues. It also did not consider public involvement as the tool to provide some inputs as one of the measures of SIA in planning process (Burdge, 1990). Moreover, this stage also cannot perform some of the principles and values of SIA in international debate such as the principle of precautionary, recognition, intragenerational equity, and subsidiarity which are much embedded to the issues on communities as discussed by Vanclay (2003a). The role of communities tends to be placed at the end of the operation in the form of their participation as the object of CSR program and community development program, but unfortunately not in the decision making process. The plan-making in the operation of the Jababeka industrial estate is simultaneously done with the planning implementation and monitoring and also planning evaluation. It is when the EIA study should be modified and revised to adapt the changes in the plan implementation and also the changes in the regulations issued by the governments. However, the ability of plan making to adapt the dynamic changes corresponds to the principle of uncertainty in doing SIA in which the social changes are constant and inevitable (Vanclay, 2003).

The second fallacy relates to the relation of the master plan in the plan-making with the higher planning system at regional scale. The plan-making also includes the important of the master plan of the Jababeka industrial estate to allocate the land for all the zones within their areas. According to the spatial planning regulation in Indonesia, the master plan arranged by the developed company should refer to the higher plans arranged by the government at the regional level in Bekasi district. Nevertheless, the only plan at higher level which can be referred by the master plan of the Jababeka industrial estate is the spatial plan of Bekasi district which delineates the allocation land for industrial activities in Bekasi. The master plan of the Jababeka industrial estate evidently is not guided by a zoning plan arranged by government which can regulate the detail of allocation land in the adjacent areas of the Jababeka industrial estate. As a result, the uncontrolled development in these adjacent areas inevitably occurs and eventually creates some social impacts. For instances, one of the identified impacts (which is discussed later in the next sub section) is the growing of uncontrolled settlements houses characterized as slum settlements. Therefore, a good SIA also is reflected when social issues can be integrated into all projects, policies, or programs of

development and other planning activities (Vanclay, 2003). The plan-making of the Jababeka industrial estate merely cannot catch this issue because to a greater extent it is caused by the poor of planning implementation at the regional level. In addition, the failure in preparing zoning plan is partly due to the nature of planning system in Indonesia which tends to be fragmented (Hudalah & Woltjer, 2007)

In a nutshell, it can be understood that the application of SIA in the Jababeka industrial estate is hindered by some fallacies in the planning process. These fallacies however can be rooted to the higher trigger which is the less capacity of related legal framework in Indonesia because the absence of a strong legal framework related to SIA and the lack of enforcement in the EIA regulation as indicated by the poor implementation of EIA (such as ignoring public involvement and weak in sanction system).

From change to impact

The way to understand the perceived impacts is by understanding that the impacts usually can be derived from physical changes and social changes. As illustrated in figure 10 and figure 11, they show that the land use changes and demographic changes are the immense changes considered both by local people and migrants. These changes however, lead to the second order of physical and social changes such as changes in transport infrastructures, quality of water and air, the opportunity of employment and so forth. Thus, from these first and second orders of changes, several physical and social impacts are formed. Those impacts mainly encompass environmental pollutions (water and air pollution) and the vibrant atmosphere of living as physical impacts and economic improvement, social jealousy, feelings of unfair and uncertainty as social impacts. As described by Slootweg et al. (2001) that planned intervention can influence the social and biophysical settings, thus this identification in communities nearby the Jababeka industrial estate posits the social changes and physical changes as the first order of influential elements which driver other physical and social changes and eventually creates physical and social impacts as human impacts.

The other side of social impact: a community perspective on human motivation

The identification of the social impacts in this research reveals the perceived impacts of the local people and migrants. Nevertheless, social jealousy tends to be the contrasting social impact which is perceived by the local people towards the migrants. It is due to the opportunities to work for the migrants is bigger than the local people. Hence, the number of local unemployment increases. Regardless of the social jealousy, the local people and migrant have similar concern with regards to their focus on how to be economically benefited by the presence of the Jababeka industrial estate. It corresponds to the huge expectation of communities to be benefited by the social commitments from typically company who run business in industrial activities (Esteves & Vanclay, 2009).

The focus on economic improvement which is emphasized by the communities who live nearby Jababeka industrial estate can be referred to three main settings which influence the production of social impacts (Slootweg et al., 2003). They are the environmental setting, the human society and the institutional setting. The first is the environmental setting, in which the communities are living, is not adequate enough to produce the goods and services. As such, the communities tend to expect the goods and services from the social commitments of the Jababeka industrial estate.

The second is human society or social setting which influences way of people value the needs of goods and services. Particularly, their needs seem to be valued in form of economic values.

It is highly relevant to human motivation in determining the priority of needs. Borrowing the Maslow's hierarchical theory, it is learned that these communities are not satisfied yet with the basic stage of needs which is physiological need (the ability to eat) and the second stage of needs which is safety needs (employment). As such, these dissatisfactions drive them to be more focus on economic welfare in order to fulfill these needs. Surprisingly, the local people and migrants have similar reaction towards the other social impacts regarding physical impacts such as water and air pollution and the uncontrolled growing of human settlements. Referring to Maslow's hierarchical theory, their physiological needs in form of air and water are supposed to be fulfilled in the first place before going up to the second stage of needs such as employment. However, this condition does not apply in the communities since their understanding of long-term impacts of the air or water pollution is not adequate and they already get use to this type of unfavorable living condition.

The last is institutional setting which might affect the focus of these communities. Sloodweg et al (2003) argue that different institutional setting can differ the perceived of social impacts. For instance, a proper institutional setting can attenuate social impacts perceived by people by handling them through favorable management, while a weak institutional setting does the other way around which can amplify social impacts to be more serious. Central to this discussion, a weak institutional setting which is possibly in form of the government's management for poverty alleviation may direct the focus of the communities towards the fulfilling of economic welfare as the impact of the presence of the Jababeka industrial estate.

The responses on social impacts

Different responses to the social impacts of the Jababeka industrial estate comes from the key stakeholders based on their different roles. However, the developer company and local government mostly mention that conducting the CSR program and the community development program has been becoming the tool to address social impacts. Meanwhile, the central government tends to address the impacts through sectoral programs in several ministries at national level and by formulating certain regulations.

The lack of coordination and communication among the stakeholders are confirmed from the interviews and group discussion which eventually inhibit the process of addressing the impacts. It is found some contradictive arguments from the stakeholders particularly with regard to the implementation of the programs to manage impacts. For instances, the developer company has allocated some funds to do the CSR programs and community development programs for the communities around, but it claimed that the communities in this particular neighborhood feels not affected by those programs. Newell & Frynas (2007) argue that CSR program of a company or firm has little or even no direct association with the poverty alleviation. Since the communities' focus in the case of the Jababeka industrial estate is on economic welfare in order to escape their poverty condition, as such depending on CSR programs alone is not appropriate to address the impacts.

Public involvement to address the impacts

As discussed earlier, the participation of stakeholders in the planning to operation of the Jababeka industrial estate, including in managing its impacts is dominated by three actors which are company developer, local government, and central government where company developer play the most important role actively and directly. Communities thus seen as object or supportive stakeholders included in the end of the process.

Burdge & Robertson (1990) argue that the public involvement in SIA should be conducted in every stage of project development. It is possibly true that the absence of public involvement in decision making process and other important stages of the development of the Jababeka industrial estate lead to the insufficient attention to the nature of likely impacts and in addressing the impacts. In fact, there is significant potential of the communities in willing to participate in the planning process of the Jababeka industrial estate. However, the weak of the regulation enforcement tend to exclude the participation of communities in the whole planning process.

Toward the near future, an appropriate type of public involvement should be promoted in doing SIA which integrates of course, to the planning process. Knowing the nature of people in the communities as they tend to feel insecure to deliver their opinions, thus a mixed model which comprises consultative and participatory model of public involvement might be relevant. This suggestion is because consultative model is a more controlled model (Robert, 2003) which can stimulate the passive actions of the communities, whereas participatory model is a more empowering and flexible (ibid) which can creates a good circumstance for their involvement.

7.2 Conclusion

It can be arguably said that to some extent, the application of SIA is not well- captured in the case of the Jababeka industrial estate. This general statement is derived from the identification of several key issues explained shortly with regard to the accommodation of SIA in its planning process, the social impacts perceived by the communities and how the social impacts are addressed.

The accommodation of SIA in the planning process of the Jababeka industrial estate

The planning process of the Jababeka industrial estate recognizes such an impact study in the ongoing of its plan implementation known as the EIA study. Various impacts including social impacts are assessed in the making process of the EIA study. However, the late presence of EIA study which is also separated to the whole planning process may arguably indicate the lack of the accommodation of SIA in the planning process of the development of the Jababeka industrial estate. Although the predicted impacts mentioned in the EIA study and the RKL-RPL plan tend to be mostly accurate and appear to happen, nevertheless, some principles and values in performing SIA such as community inclusion and public involvement are not properly understood and taken into account. In details, the involvement of the people is not adequate, since they were not included in the early stage of the planning process and seen as part of the object of development rather as the actors who have the rights in the decision making. Moreover, the principle which carries the benefit for all the stakeholders is also not considered, in which there is such unclear division of responsibilities and tasks among the key stakeholders (the government, the developer company, and the communities) in the ongoing planning process of the development of the Jababeka industrial estate. As such, the management of the social impacts which particularly requires the coordination among them, is insufficient and thus it leads to the uncontrolled social impacts. Moreover, less consideration in planning system in Bekasi district such as the absence of detailed zoning plan leads to one of the critical change which relates to uncontrolled land use changes and then finally generates several impacts such as slum settlements and social jealousy.

Perceived social changes and impacts on the communities

Conducting SIA is also about how the variable of changes and impacts are considered and conceptualized (Vanclay, 2002). The underlying process of how social impacts happen in the communities is more visible when it is understood through identifying the physical and social change/process which can lead to the social impacts. The underlying process is also experienced differently by the local people and migrants. However, based on the identification of the underlying processes from social to physical changes and from physical to social impacts, it is concluded that the perceived communities tend to focus on economic benefit as the social impact they should receive from the presence of the industrial estate rather than to protest the physical changes in their living environment such as water and air pollution. They seem to react and treat the disruptions on their ability to breathe and to use water as the “take for granted” impacts in which they already get used to these impacts and force themselves to accept these impacts as their realities. It might reflect that in the context of developing country like Indonesia, in which the majority of economic prosperity of people is still in unfavorable states or in poverty, the likelihood of the focus on economic benefit is possible to happen. As such, it is relevant that the focus of SIA in developing countries is more towards promoting social sustainability for managing poverty (Vanclay, 2002).

Addressing the social impacts

The way of each stakeholder address the occurred social impacts tend to be disorganized which leads to the condition where each stakeholder assumes that managing the social impacts is not really their responsibility. The absence of government intervention and public involvement in the early stage of the development of the Jababeka industrial estate and having a less comprehensive approach to understand the overlaying process of social and physical changes and impacts cause the fuzziness in delineating the roles of each stakeholder to address the social impacts. The difficulties in managing the social impacts possibly happen because the CSR and community development programs are still the tools to rely on and moreover they are weakened by the less coordination and communication among all related stakeholders. Hence, it is necessary to improve the pattern of coordination and communication and to emphasize on public involvement process towards the future steps of management guided by relevant regulations.

Lesson to learn: policy implication and recommendations for government

SIA is a broad body of knowledge which can be understood from methodology to practice area (Vanclay, 2003b). Therefore, some suggestions might be embraced due to this characteristic. However, the following suggestions are narrowed to some extent to the context of industrial estate development and urban planning in Indonesia.

- *Developing the understanding of SIA.* It is found that SIA is not a common concept in conducting impact assessment, thus the initial step to develop a relevant policy is by disseminating the comprehension of SIA to the actors in governments, the actors in business sectors, and the people. This activity would be relevant to be conducted by the central government as the policy maker at the highest level by improving government actors' knowledge on SIA in the first place.
- *Building a framework to implement SIA.* Central government thus can possibly create an appropriate SIA framework which adapts to the context of Indonesia as developing country. This framework however is formed for the wider use in implementing SIA by the local government.
- *Improving EIA towards SIA.* Since the understanding of impact assessment is already on implementing EIA, the other possible choice in developing SIA policy is by enriching the existing EIA policy with comprehensive knowledge of SIA.

- *Balancing people and business interest.* SIA policy might provide a win – win solution for the purpose of sustainable development which creates a good climate for investor in doing business, while at the same time should concern on people's needs and understand the factors which influence the production of impacts.
- *Indicating stakeholder participation with clear coordination.* SIA policy will be more fruitful if it can map a clear division of tasks in doing SIA to the certain key stakeholders which are involved in project development. Moreover, a clear coordination is hugely important predominantly under decentralized governance system.
- *Emphasizing on the public involvement.* The successful of SIA implementation is supported by the involvement of people in every stage of project. To stress the flexibility in choosing certain type of public involvement is essential with respect to different characteristic of people and communities.
- *Integrating to spatial planning and urban planning system.* The vast majority of project development in Indonesia ties to the issues of land use management. Hence, it is important to develop SIA policy which concern on spatial and urban planning.

The appropriate way to understand the application of SIA in the Jababeka industrial estate is by connecting to the bigger umbrella of the policy realm in Indonesia which relates to the EIA regulation and to the spatial planning regulation. From these related regulations, it is found that there is no strong regulation to accommodate and urge the use of SIA in doing project development in Indonesia. In addition, there is a fragmented implementation of spatial planning at the regional level in most of the regions in Indonesia. Learning from the case of the Jababeka industrial estate, it is understood that this experience cannot represent to the utmost towards the other contexts of project development in Indonesia. Nevertheless, it might give a little understanding that utilizing SIA in project development is crucial and due to this reason, the urge to institutionalize SIA particularly through policy is highly needed.

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Appendix: Fieldwork guideline

Interview Protocol

Transcript code :

Name :

Affiliation :

Date Interviewed :

TYPE 01/NATIONAL GOVERNMENT

- 01a/ National Planning Agency

- 01b/ Ministry of Industry – Industrial Facilities Development, Territory 2

- 01c/ Ministry of Industry – National Team of Industrial Estate

- 01d/ Ministry of Environment

TYPE 02/LOCAL GOVERNMENT

- 02a/ Local Planning Agency

- 02b/ Local Industrial Department

- 02c/ Local Environmental Agency (BPLH)

TYPE 03/COMPANY

- 03a/ Planning and Commerical Division

- 03b/ Impact Assessment Division

Industrial development policies in Indonesia, and one of them is by establishing industrial estate, on one hand has been greatly supporting Indonesia to promote its economic growth. On the other hand, it inevitably may lead to various impacts which are not only about environmental issues but also about broader social issues. Eventually, government of Indonesia have the state ministry of environment at national level and environment agencies called BPLH at local level to anticipate and control industrial activities and their effects. Social issues thus are more concerned generally in planning document of projects which make SIA seem to be part of planning processes in the context of Indonesia.

This interview aims to clarify and confirm the implementation of social impact assessment in Jababeka Industrial Estate. This interview is a part of my master thesis in Regional Studies, at the University of Groningen.

This interview will be recorded. There is always an option for interviewees to keep anonymous their identities. Alternatively, their names will be mentioned in the report and/or analysis.

- ORGANIZATIONAL ISSUES (type 01, 02, 03, 05)
 1. What are the task of organization particularly with regard to industrial development plan, industrial estate, impacts of industrial estate/activities?
- PLANNING PROCESSES OF INDUSTRIAL ESTATE (all)
 1. To what extent does your institution/community participate in planning processes with regard to PT Jababeka industrial estate project?
 - Plan making
 - Plan implementation
 - Plan monitoring and evaluation
 2. To what extent does your planning system relate to other planning system? (collaboration among government – private – community decision making)
- SOCIAL IMPACT ASSESSMENT (type 01, 02, 03, 05)
 1. To what extent do you know social impact assesment?
 2. To what extent, does Bekasi's spatial plan and other related plan accomodate the social impact assesment?
 3. To what extent, does industrial estate's plan accomodate the social impact assesment?

4. To what extent, does impact assessment (such as environmental impact assessment) accommodate SIA in project development in country?
 5. To what extent, does impact assessment (such as environmental impact assessment) accommodate in the development of this industrial estate?
 6. Since many SIAs in Indonesia are part of planning processes of project development, thus, to what extent do you think, is the social impact assessment accommodated in the planning process with regard to Jababeka Industrial estate?
- **INCORPORATING SOCIAL IMPACT ASSESSMENT (All)**
 1. What the government as policy maker and private should do, to support SIA in all project development in country?
 2. What are needed to support SIA in all project development in country?
 3. What are the constraints/obstacles in incorporating SIA in all project development in country?
 4. How do you think to engage SIA in this ongoing industrial estate?
 - **JABABEKA INDUSTRIAL ESTATE (type 01b, 02b, 03, 05)**
 1. Why was Jababeka industrial estate developed?
 2. Who did initiate to develop Jababeka industrial estate?
 3. How is the ownership?
 4. How are the processes of the development of Jababeka industrial estate (the phases)?
 5. What are the characteristic of industrial estate (components and features such as type of industrial activities, infrastructures, etc)?
 6. Were the growing of this gigantic industrial estate to be such a “satellite city” on the plan?
 7. What do you think, the contribution of Jababeka industrial estate to the local regency and to national?
 8. How did Jababeka industrial estate formulate the social impact assessment (SIA)? What aspects and things did you consider to be addressed to formulate the SIA?
 9. How does Jababeka industrial estate apply social impact assessment?
 - **SOCIAL ISSUES, CHANGES, IMPACTS (All)**
 1. What are the social issues which happens due to the establishment of the industrial estate?
 2. What were the prediction of likely changes and impacts beforehand caused by the Industrial estate?
 3. What do you think, the biophysical changes which have happened ever since the Jababeka industrial estate was established? Then from this changes, what are the impacts?
 4. What do you think, the social changes which have happened ever since the Jababeka industrial estate was established? Then from this changes, what are the impacts?
 5. Do you think those changes and impacts are caused by the industrial estate?
 6. If no, what other things which cause the changes and then the impacts?
 - **RESPONSES TOWARDS SOCIAL IMPACT ISSUES (type 01, 02)**
 1. What kind of action are you taking, with regard to such issues of social changes and impacts in communities who live nearby?
 2. If there are some governments project or policies, how do they work? What things that underpin and constraint the implementation of it?
 - **RESPONSES TOWARDS SOCIAL IMPACT ISSUES (type 03)**
 1. What kind of action are you taking, with regard to such issues of social changes and impacts in the communities who live nearby?
 2. How is the implementation of Corporate Social Responsibility (CSR) of Jababeka industrial estate?
 3. What things which enable and inhibit in doing CSR and other programs you may have to manage social issues?

- **RESPONSES TOWARDS SOCIAL IMPACT ISSUES (type 04)**
 1. What kind of action are you taking, with regard to such issues of social changes and impacts in your communities?
 2. What are the things that enable and inhibit you and your community to promote your actions?

- **RESPONSES TOWARDS SOCIAL IMPACTS ISSUES (type 05)**
 1. What kind of action are you taking as the association of industrial estates in Indonesia, with regard to such issues of social changes and impacts in the communities who live nearby?
 2. What kind of things which can help or inhibit the management of social changes and impacts on the communities who live nearby?

- **INTERACTION AMONG ACTORS/STAKEHOLDERS (all)**
 1. What type of interaction do you have with other stakeholder regarding the social issues (changes and impacts) caused by the industrial estate?
 2. With regard to the interaction, how you coordinate and cooperate with other stakeholder (company and communities)?
 3. What do you think the action that other stakeholder do with regard to the management of social changes and impacts?
 4. What do you think on what other stakeholders should do with regard to the management of social changes and impacts?

- **POLICY DEVELOPMENT AND ENFORCEMENT (all)**
 1. How is the important of SIA to be emphasized and institutionalized in development projects in Indonesia?
 1. What are needed, to develop the policy which contains the need of integrated SIA in development projects in Indonesia?
 2. What are the constraints and the resource to arrange and formulate the policy?
 3. Policy enforcement has been the main issue with policy implementation in Indonesia,so how to enforce the policy with regard to the SIA?

The protocol for the Focus Group Discussion (FGD)

Engagement questions:

1. How do you think and feel about your living environment?
2. What is your perception about the industrial estate?

Exploration Questions:

3. Do you know if the communities were asked to participate in planning processes of the development of industrial estate?
4. What negative changes do you experience since the industrial estate was established?
5. And otherwise, what positive changes do you experience?
6. What are the impacts you experience because of those changes?
7. How do you feel when experiencing the impacts?
8. Do you think that the impacts are caused by the industrial estate? Is there any other triggers?
9. How do you respond in addressing the impacts?
10. How effective the program/policy conducted by company and/or government with regard to the social issues (changes and impacts)?
11. What company and government should do with regard to the impacts?
12. In what kind of cooperation you are willing to cooperate with other stakeholders in managing the impacts?

Exit question:

13. Is there anything else you would like to say about the application of social impacts here?

Note: People who live before (Group A) and after (Group B) the industrial estate was established are in separate groups.

Focus group confirmation letter

March 14, 2015

Dear _____,

Thank you for your willingness to participate in our focus group. As discussed on our last meeting, we would like to hear your opinions about social issues, changes, and impacts with regard to Jababeka industrial estate. You will be in a group with 5 to 6 people who come from the communities surround the industrial estate. Your responses to the questions will be kept anonymous. Rp. 100.000 honorarium will be paid at the end of the focus group discussion. The date, time, and place are listed below. Please look for signs once you arrive directing you to the room where the focus group will be held.

DATE

TIME

PLACE

We look forward to seeing you.

Sincerely,

Fanny Azzuhra

(Research Master Student, at Faculty of Spatial Sciences, University of Groningen)

Consent to Participate in Focus Group Participate in Focus Group

You have been asked to participate in a focus group regarding the master thesis which titles the Application of Social Impact Assessment (SIA) to Industrial Estate in th Greater Jakarta (Case of Jababeka Industrial Estate). The purpose of the group is to get insight of the underlying process of social changes and impacts on these communities with regard to Jababeka industrial estate. The information learned in the focus groups will be used to understand the case and the application of SIA and to have suggestion and recommendation to the stakeholders and policy makers. You can choose whether or not to participate in the focus group and stop at any time. Although the focus group will be tape recorded, your responses will remain anonymous and no names will be mentioned in the report. There are no right or wrong answers to the focus group questions. We want to hear many different viewpoints and would like to hear from everyone. We hope you can be honest even when your responses may not be in agreement with the rest of the group. In respect for each other, we ask that only one individual speak at a time in the group and that responses made by all participants be kept confidential.

I understand this information and agree to participate fully under the conditions stated above:

Signed: _____ Date: _____

Introduction for focus group discussion

WELCOME

Thanks for agreeing to be part of the focus group. We appreciate your willingness to participate.

INTRODUCTIONS

Moderator; assistant moderator

PURPOSE OF FOCUS GROUPS

I am now conducting my thesis of my master, and I need to collect the data by conducting focus groups. The reason we are having this focus group is to find out the social changes and impacts you are perceived due to the industrial estate, also the process of how they occur, and finally what responses you take in addressing the changes and impacts. I need your input and want you to share your honest and open thoughts with us.

GROUND RULES

1. We want you to do the talking.

We would like everyone to participate.

I may call on you if I haven't heard from you in a while.

2. There are no right or wrong answers

Every person's experiences and opinions are important.

Speak up whether you agree or disagree.

We want to hear a wide range of opinions.

3. What is said in this room stays here

We want folks to feel comfortable sharing when sensitive issues come up.

4. We will be tape recording the group

We want to capture everything you have to say.

We don't identify anyone by name in our report. You will remain anonymous

Focus group participant demographics

Date:

Time:

Place:

What is your occupation:	What long have you been in here?	Your age:
Your gender:	Your income:	Education Background: