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KAJIAN EKONOMI DAN KEUANGAN

- **Program Restrukturisasi Mesin Industri Tekstil Indonesia:
Sebuah Studi Kasus Kebijakan Subsidi Pemerintah**

 - **Overview Atas Transparansi Fiskal Dalam Perspektif Risiko:
Suatu Komparatif dan Studi Literatur**

 - **Sustainability Reporting For CSR Disclosures: A Case Study In
Oil and Gas Industry**

 - **Desentralisasi Fiskal dan Penciptaan Stabilitas Keuangan
Daerah**

 - **Analisis Kebijakan Pendanaan Penjaminan Simpanan
Indonesia**
-
- **Tulisan Lepas:
Stabilitas Sistem Keuangan dan Pertumbuhan Ekonomi yang
Berkelanjutan dalam Rangka Mewujudkan Negara
Kesejahteraan**

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EKONOMI KEUANGAN



Pusat Kebijakan Ekonomi Makro
Badan Kebijakan Fiskal
Departemen Keuangan RI

■ Program Restrukturisasi Mesin Industri Tekstil dan Produk Tekstil Indonesia:

Sebuah Studi Kasus Kebijakan Subsidi Pemerintah

■ Overview Atas Transparansi Fiskal Dalam Perspektif Risiko: Suatu Komparatif dan Studi Literatur

■ Sustainability Reporting For CSR Disclosures:
A Case Study In Oil and Gas Industry

■ Desentralisasi Fiskal dan Penciptaan Stabilitas Keuangan Daerah

■ Analisis Kebijakan Pendanaan Penjaminan Simpanan Indonesia

■ Tulisan Lepas : Stabilitas Sistem Keuangan dan Pertumbuhan Ekonomi yang Berkelanjutan Dalam Rangka Mewujudkan Negara Kesejahteraan

KATA PENGANTAR

Syukur alhamdulillah kita panjatkan kepada Tuhan Yang Maha Esa, Kajian Ekonomi Keuangan pada volume kali ini dapat menjumpai pembaca sekalian. Edisi ini menyajikan berbagai topik yang beragam dan menarik dalam konteks perkembangan ekonomi dan keuangan.

Pada volume kali ini ada berbagai topik tulisan yaitu Program Restrukturisasi Mesin Industri Tekstil dan Produk Tekstil Indonesia: Sebuah Studi Kasus Kebijakan Subsidi Pemerintah, Overview Atas Transparansi Fiskal Dalam Perspektif Risiko: Suatu Komparatif dan Studi Literatur, *Sustainability Reporting For CSR Disclosures: A Case Study in Oil and Gas Industry*, Desentralisasi Fiskal dan Penciptaan Stabilitas Keuangan Daerah, Analisis Kebijakan Pendanaan Penjaminan Simpanan Indonesia, dan Tulisan Lepas: Stabilitas Sistem Keuangan dan Pertumbuhan Ekonomi yang Berkelanjutan Dalam Rangka Mewujudkan Negara Kesejahteraan. Adapun para penulis yang berkontribusi yaitu Sigit Setiawan, Joko Tri Haryanto, Ester Sri Astuti, Makhilani, Moudy Hermawan, Parulian Sihotang, Subagio Effendi, dan Muslimin B. Putra.

Demikianlah sekapur sirih yang bisa disampaikan oleh Dewan Redaksi. Ibarat peribahasa tiada gading yang tak retak, maka kami menyadari tulisan ini tentulah ada kekurangan. Oleh karena itu, kami mengharapkan masukan dari para pembaca guna perbaikan di masa yang akan datang. Selanjutnya, kami berharap Kajian ini dapat memberikan manfaat kepada para pembaca. Selamat membaca.

Jakarta, 2009

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ABSTRAKSI

Hermawan, Moudy et. al. (Direktorat Jenderal Perbendaharaan, Depkeu RI)**Program Restrukturisasi Mesin Industri Tekstil dan Produk Tekstil Indonesia: Sebuah Studi Kasus Kebijakan Subsidi Pemerintah****Kajian Ekonomi dan Keuangan Volume 13 Nomor 1, 2009, halaman 1-10**

Subsidi yang sering dianggap distorsi dalam perekonomian, sebenarnya juga diperlukan sebagai sarana bagi pemerintah untuk membantu sektor-sektor potensial yang mendapat kesulitan untuk berkembang. Dalam hal Industri TPT yang sempat dipersepsikan sebagai *sunset industry*, terutama setelah banyaknya kredit macet pasca krisis moneter, sebenarnya menyimpan potensi ekonomi yang besar apabila pertumbuhannya tetap dijaga. Sebagai sektor yang berprestasi dalam menyumbangkan PDB, ekspor nonmigas, penggerak investasi dan penyerap tenaga kerja, ITPT yang saat ini sedang menghadapi problem lemahnya daya saing akibat rendahnya efisiensi produksi layak mendapat bantuan dari pemerintah melalui subsidi langsung yang ditransmisikan dengan tepat.

Kata kunci : Subsidi, TPT, ITPT, Pemerintah

Makhiani et. al. (Badan Kebijakan Fiskal, Departemen Keuangan RI)**Overview Atas Transparansi Fiskal Dalam Perspektif Risiko: Suatu Komparatif dan Studi Literatur****Kajian Ekonomi dan Keuangan Volume 13 Nomor 1, 2009, halaman 11-31**

Untuk pertama kalinya, Pernyataan Risiko Fiskal (*Statement of Fiscal Risks*) diungkap dalam Nota Keuangan APBN 2008, sebagai praktek baru di bidang keuangan negara untuk menyatakan adanya risiko fiskal. Pengungkapan (*disclosure*) risiko fiskal sangat penting dilakukan, karena *awareness* terhadap bahaya ada risiko tersembunyi akan meningkat sehingga diharapkan otoritas fiskal akan mampu merespons dengan baik kemungkinan adanya ancaman terhadap ekonomi nasional pada tahun-tahun mendatang. Selanjutnya, dalam upaya meningkatkan kualitas pengelolaan risiko fiskal, maka studi banding dan literatur merupakan suatu yang perlu dilakukan. Membandingkan praktek pengungkapan risiko fiskal dengan Australia, New Zealand, dan Brazil, dan mendalami literatur yang terkait dengan pengelolaan risiko fiskal akan memperoleh gambaran sejauh mana Indonesia telah melaksanakan *best practices and codes*. Terdapat 2 (dua) temuan penting yang patut dipelajari lebih lanjut yaitu Pernyataan Risiko Fiskal harus didasari

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peraturan perundangan yang kuat dan dapat mengikat semua pihak pencetus risiko (*contracting agencies*), dan ketiga negara tersebut di atas semakin mampu membagi dan memecah (*unbundling*) risiko.

Kata kunci : Risiko fiskal, APBN, transparansi

Sihotang, Parulian and Subagio Effendi et. al. (Departemen Keuangan)

Sustainability Reporting For CSR Disclosures: A Case Study In Oil and Gas Industry

Kajian Ekonomi dan Keuangan Volume 13 Nomor 1, 2009, halaman 33-49

Sustainability Reporting has been used quite extensively in communicating company accountability towards its broad-based stakeholders. The report, widely known as the triple bottom line (TBL) report, discloses three performance indicators of any company: economic, social and environmental performance. Social and environmental performance are usually understood as Corporate Social Responsibility (CSR).

This article will investigate how Sustainability Reporting principles developed by the Global Reporting Initiatives (GRI) have been implemented by the oil and gas industry in order to stimulate and enhance CSR practices and disclosures. GRI-based sustainability reporting is currently the most recognized reporting principles implemented by various industries worldwide.

Content analysis on selected Sustainability Reporting of selected international oil companies will be conducted to identify the extent to which their CSR practices and disclosures have been in line with GRI principles. Furthermore, this research will explore whether CSR reporting applied by international oil multinationals could be implemented in developing countries such as Indonesia.

Finally, it is expected that this exploratory research will be able to introduce and develop the Indonesian principles on CSR disclosures using GRI-based Sustainability Reporting published by the oil and gas companies operating in Indonesia.

Keywords : Corporate Social Responsibility, Disclosures, Sustainability Reporting, Oil and Gas Companies.

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ABSTRAKSI

Haryanto, Joko Tri dan Ester Sri Astuti et. al. (Departemen Keuangan)**Desentralisasi Fiskal dan Penciptaan Stabilitas Keuangan Daerah****Kajian Ekonomi dan Keuangan Volume 13 Nomor 1, 2009, halaman 51-65**

Indonesia has been implemented decentralization era since 2001th in order to increasing local empowerment and local capability. During this period central government gave a all of the authority to the local government excepted authority for the political, finance, national defence, justice and religion. Beside gave the authority to the local government, central government also gave the source of the financing to the local government to meet the money follows function principle.

Financial stability is the most important things on the monetary area. Many theorytical background described that decentralization have relation with the local financial stability. Using statistic approach (panel data) we could be proved that decentralization have negative relation with the local financial stability and also the other variable such as population, GRDP, construction price index and volatility of money .

Key words : Financial stability, decentralization

Setiawan, Sigit et. al. (Badan Kebijakan Fiskal, Departemen Keuangan RI)**Analisis Kebijakan Pendanaan Penjaminan Simpanan Indonesia****Kajian Ekonomi dan Keuangan Volume 13 Nomor 1, 2009, halaman 51-65**

Sistem penjaminan simpanan merupakan bagian tak terpisahkan dari jaring pengaman keuangan (*financial safety net*) suatu negara. Sistem ini dibentuk oleh berbagai kebijakan kunci yang salah satunya adalah kebijakan pendanaan penjaminan simpanan. Dalam tulisan ini dikaji kebijakan pendanaan yang berlaku saat ini, alternatif kebijakan lain, kelebihan dan kekurangan masing-masing kebijakan, serta rekomendasi guna menutup kelemahan kebijakan pendanaan penjaminan simpanan yang digunakan saat ini.

Dari sisi kebijakan tingkat premi, tingkat premi yang diterapkan oleh sistem penjaminan simpanan Indonesia saat ini tergolong moderat (tingkat premi saat ini 0,1% per semester atau 0,2% per tahun), karena berada di tengah-tengah rentang premi penjaminan kelompok negara-negara di dunia dalam kelas pendapatan yang sama dengan Indonesia. Tingkat premi tersebut cukup kondusif bagi perbankan Indonesia karena turut andil dalam memberikan cukup ruang bagi perbankan untuk memperbaiki tingkat kesehatan pasca krisis (NPL) dan memupuk modal dari laba (pendapatan bunga bersih) yang diperoleh untuk pengembangan usahanya.

Guna memenuhi kepastian hukum dan sebagai antisipasi bila di masa depan cadangan penjaminan kurang dari target 2,5% atau tidak mencukupi, LPS perlu segera

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<p>mendorong pemerintah untuk menerbitkan peraturan pelaksanaan di bawah UU yang mengatur mekanisme penyediaan bantuan pinjaman pemerintah dalam kondisi tidak memadainya atau tidak mencukupinya cadangan penjaminan.</p> <p><i>Keyword : Financial Safety Net, LPS, Ex Ante, dan Ex Post.</i></p>	

SUSTAINABILITY REPORTING FOR CSR DISCLOSURES: A CASE STUDY IN OIL AND GAS INDUSTRY

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Abstract

Sustainability Reporting has been used quite extensively in communicating company accountability towards its broad-based stakeholders. The report, widely known as the triple bottom line (TBL) report, discloses three performance indicators of any company: economic, social and environmental performance. Social and environmental performance are usually understood as Corporate Social Responsibility (CSR).

This article will investigate how Sustainability Reporting principles developed by the Global Reporting Initiatives (GRI) have been implemented by the oil and gas industry in order to stimulate and enhance CSR practices and disclosures. GRI-based sustainability reporting is currently the most recognized reporting principles implemented by various industries worldwide.

Content analysis on selected Sustainability Reporting of selected international oil companies will be conducted to identify the extent to which their CSR practices and disclosures have been in line with GRI principles. Furthermore, this research will explore whether CSR reporting applied by international oil multinationals could be implemented in developing countries such as Indonesia.

Finally, it is expected that this exploratory research will be able to introduce and develop the Indonesian principles on CSR disclosures using GRI-based Sustainability Reporting published by the oil and gas companies operating in Indonesia.

Keywords : Corporate Social Responsibility, Disclosures, Sustainability Reporting, Oil and Gas Companies.

1. SUSTAINABILITY REPORTING

This section will discuss briefly the theory (ies) behind Sustainability Reporting. The principles, content and format of Sustainability Reporting developed by the Global Reporting Initiatives (GRI), which is the main international reference for such reporting is also explained. Then, the GRI-based Sector Supplement is introduced in order for the oil and gas industry being able to use it as benchmark to develop its own and unique Sustainability Reporting.

1.1. Theory about Sustainability Reporting

During the past 40 years, pressures from a variety of sources have come to bear on the private sector to accept responsibility for impacts on society from business activities. Companies are being urged to become accountable to a wider audience than shareholder and creditor groups. Friedman's

(1962) doctrine that the only social responsibility of business is to maximize profits is not universally accepted. Studies have documented a growing awareness on the part of business executives that business has an obligation to help society, even if it means less profit.

There appears to be a growing recognition within the business community of the importance key stakeholders attach to socially, environmentally and ethically responsible behavior by corporations (Zadek et al., 1997). As businesses increasingly recognizes the broad duties of accountability implied by their stakeholders' (non-financial) expectations the role of corporate social reporting takes on increasing importance as a mechanism through which such duties of accountability may be discharged (Gray et al., 1996). This significant role played by sustainability reporting has attracted public

interest in studying sustainable development in general and corporate social reporting practices, with many empirical research studies analyzing the content of corporate sustainability reports for disclosures in respect of one or more categories of social, environmental and/or ethical matters.

Sustainability Reporting, in professional and academic literatures, is understood as a vehicle to communicate comprehensively the triple bottom line of a company: economic, social and environmental performance. John Elkington (1997), for example, stated that

"At its narrowest, the term 'triple-bottom-line' is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters. At its broadest, the term is used to capture the whole set of values, issues and processes that companies must address in order to minimise any harm resulting from their activities and to create economic, social and environmental value...The three lines represent society, the economy and the environment. Society depends on the economy – and the economy depends on the global ecosystem, whose health represents the ultimate bottom line".

Then Gray et.al., (1996) identify characteristics of sustainability reporting as follows: (see table 1).

1.2. Subject

Sustainability reporting tends to focus on the areas of employees, 'ethical issues' (emphasising community and consumers) and the natural environment. However, the reporting could cover other such matters as ethics, standards, and characteristics of organisational investment.

1.3. Audience

Some examples of sustainability reporting are closely defined for a specific target audience (for example employee reports, information for collective bargaining, local environmental information, information for use in schools or internal documents for management use). Certainly, as much of the

regulated disclosure appears in Annual Reports it must be assumed that sustainability reporting is intended primarily for shareholders.

1.4. Content

Sustainability reporting might vary from conventional accounting and reporting. It consists of narrative and quantitative disclosures of various corporate information. In order to ensure a balanced and reasonable presentation of the organisations' performance, a determination must be made about what content the report should cover by considering both the organisations' purpose and experience, and the reasonable expectations and interests of the organisations' stakeholders.

1.5. Motivation of reporting

The motivation of an organisation to produce sustainability report consists of internal and external motivations. Internal motivations such as ethics, organisations' commitment, accountability and code of practices while external motivations such as peer pressure, market pressure and legal obligation. Some motives may dominate, but research shows that sustainability reporting is the result of more than one motivation.

1.6. Reliability

Reliability concern with the extent of the users of the report may rely on the information disclosed and to know whether the report present a complete, fair, balanced and reliable of the issues or organisation. Reliability deals with the credibility of the preparer of the report and assurance process.

Since sustainability report could take various forms and objectives, several reporting standards exist as guidelines for reporting. Those standards are as follows:

- Global Reporting Initiative Sustainability Reporting Guidelines developed by Global Reporting Initiative (GRI) in 2000, 2002 and 2006 (G3);
- Organisation for Economic Cooperation and Development guidelines for multinational enterprises developed by

Organisation for Economic Cooperation and Development (OECD);

- Social Accountability 8000 developed by Social Accountability International, an independent organisation consists of business, NGOs, trade unions and others;
- AA 1000 for auditing and assurance process developed by AccountAbility, an international membership organisation;
- Environmental management (ISO 14001, EMAS);
- Global compact and United Nation Norms developed by the United Nations;
- Sarbanes-Oxley Act developed by United States legislation from 2002;
- Greenhouse Gas Protocol developed by World Business Council for Sustainable Development (WBCSD) and World Resources Institute.

Among other standards, the GRI G3 sustainability reporting guidelines are the most widely accepted standard. It integrates or refers to most initiatives and might be the generally accepted, broadly adopted, worldwide framework for preparing and communicating information about organisational sustainability performance. What next is the explanation about the GRI-based sustainability reporting.

1.7. GRI-based Sustainability Reporting

The "Global Reporting Initiative" is a large multi-stakeholder network of thousands of experts, in dozens of countries worldwide, who participate in GRI's working groups and governance bodies, use the GRI Guidelines to report, access information in GRI-based reports, or contribute to develop the Reporting Framework in other ways – both formally and informally.

Sustainability reports based on the GRI Reporting Framework disclose outcomes and results that occurred within the reporting period in the context of the organisations' commitments, strategy, and management approach. Reports can be used for the following purposes, among others:

- Benchmarking and assessing sustainability performance with respect to laws, norms,

codes, performance standards, and voluntary initiatives;

- Demonstrating how the organisation influences and is influenced by expectations about sustainable development; and
- Comparing performance within an organisation and between different organisations over time.

The GRI Reporting Framework is intended to serve as a generally accepted framework for reporting on organisations' economic, environmental, and social performances. It takes into account the practical considerations faced by a diverse range of organisations – from small enterprises to those with extensive and geographically dispersed operations. The GRI Reporting Framework contains general and sector-specific content that has been agreed by a wide range of stakeholders around the world to be generally applicable for reporting an organisations' sustainability performance.

As illustrated in Figure 1, the Sustainability Reporting Guidelines (the Guidelines) consist of Principles for defining report content and ensuring the quality of reported information. It also includes Standard Disclosures made up of Performance Indicators and other disclosure items, as well as guidance on specific technical topics in reporting in form of indicator protocols, sector supplements, and technical protocols.

The principles for defining report content consist of materiality, stakeholder inclusiveness, sustainability context, and completeness. This is followed by the principles for ensuring quality of reported information, consists of balance, comparability, accuracy, timeliness, reliability, and clarity. Those principles are defined as follows:

- **Materiality**

The information in a report should cover topics and indicators that reflect the organisations' significant economic, environmental, and social impacts or that would substantively influence the assessments and decisions of stakeholders.

- Stakeholder inclusiveness

The reporting organisation should identify its stakeholders and explain in the report how it has responded to their reasonable expectations and interests.

- Sustainability Context

The report should present the organisations' performance in the wider context of sustainability.

- Completeness

Coverage of the material topics, indicators and definition of the report boundary should be sufficient to reflect significant economic, environmental, and social impacts and to enable stakeholders to assess the reporting organisations' performance in the reporting period.

- Balance

The report should reflect positive and negative aspects of the organisations' performance to enable a reasoned assessment of overall performance.

- Comparability

Issues and information should be selected, compiled, and reported consistently. Reported information should be presented in a manner that enables stakeholders to analyse changes in the organisations' performance over time, and could support analysis relative to other organisations.

- Accuracy

The reported information should be sufficiently accurate and detailed for stakeholders to assess the reporting organisations' performance.

- Timeliness

Reporting occurs on a regular schedule and information is available in time for stakeholders to make informed decisions.

- Reliability

Information and processes used in the preparation of a report should be gathered, recorded, compiled, analysed, and disclosed in a way that could be subject to examination and that establishes the quality and materiality of the information.

- Clarity

Information should be made available in a manner that is understandable and accessible to stakeholders using the report.

The Guidelines defines three different types of disclosures for the base content that should appear in a sustainability report as follow:

- Strategy and Profile

Disclosures that set the overall context for understanding organisational performance such as its strategy, profile, and governance. Its consist of strategy and analysis; organisational profile; reports parameters; governance, commitment and engagement.

- Management Approach

Disclosures that cover how an organisation addresses a given set of topics in order to provide context for understanding performance in a specific area.

- Performance Indicators

Indicators that elicit comparable information on the economic, environmental, and social performance of the organisation. Social indicators are further categorised by Labor, Human Rights, Society and Product Responsibility. Sustainability performance indicators are classified into Core and Additional indicators based on materiality.

The economic performance indicators are concerned of the organization's impacts on the economic conditions of its stakeholders and on economic systems at local, national, and global levels. The indicators are designed to illustrate (1) flow of capital among different stakeholders and (2) main economic impacts of the organization throughout the society.

The environmental performance indicators are concerned about the affected living and non-living natural systems such as ecosystems, land, air and water due to the organization's activities.

The Social Performance Indicators are divided into four sub categories which are: (1) Labor practices and decent work performance indicators based on internationally recognized universal standards issued by organizations such as United Nations, ILO declaration and Vienna declaration (2) Human rights performance indicators, which are concerned with the extent of human rights being considered in investment and supplier/contractor selection practices including employee and security forces training human

rights, non-discrimination, and freedom of association, child labor, indigenous rights, as well as forced and compulsory labor, (3) Society performance which are concerned on the affects that organizations have on communities where they operate and require how to manage and mediate the risks that may arise from interactions with other social institutions and (4) Product responsibility performance indicators which are concerned on on organization's products and services which directly affect customers' health and safety, information and labeling, marketing as well as privacy.

Since 2000, GRI has developed the sustainability reporting framework used as guidelines to report on economic, environmental and social performance of any organization as routine and as comparable as financial reporting. The framework has been continuously improved. And in 2006 the third generation (G3) of GRI sustainability framework was finally launched in Amsterdam in 2006.

Currently, an Indonesia-specific guideline is being prepared by the National Center for Sustainability Reporting (NCSR), an Indonesian multi-stakeholders organisation, based on GRI sustainability reporting guidelines version 3.0 added with local economic, social and environmental contents. The guideline will be available by the end of 2008.

GRI-based Sector Supplement for Industries

The GRI not only provides general framework of Sustainability Reporting for companies across industries, but also supports any industry/sector to have their own Reporting Supplement in order for the industry/sector being able to report properly the uniqueness of the industry. GRI has so far developed and compiled Sector Supplement for the following industry: Logistics and Transportation, Mining and Metals, Public Agency, Tour Operators, Telecommunications, Automotive, Apparel and Footwear, Financial Services, Food Processing, Construction and Real Estate, Electric Utilities, and NGOs.

Sector Supplement for Mining and Metals Industry, for example, covers the reporting in the areas of exploration, feasibility,

construction, mining and metal processing (including metal fabrication and recycling) and closure.

In the Supplement, narrative (qualitative) description is to be applied for such aspect as:

- Stakeholder engagement such as the stage of project cycle, the nature of operation, and the roles and level of interest of engagement objectives of the main stakeholders.
- Community engagement and support such as overall policy related to community engagement, approach to community engagement processes, mechanisms used to fund administration, mechanisms used to protect local cultural and intellectual property right and sacred sites, outcome of significant engagement processes
- Impact assessment for both social and environmental assessment.

Since the oil and gas industry is playing a very dominant role in international economic development, the industry needs to have its own sector reporting to increase transparency and accountability of the sector towards its stakeholders.

Sector supplement applied for Mining and Metals Industry could be used as reference to start with. The Supplements are available in www.globalreporting.org.

2. SUSTAINABILITY REPORTING IN INDONESIA

Traditionally, Indonesian corporations have done a variety of social and environmental activities for the benefit of the society. Those activities include environment preservations, disaster relief, partnership with small and medium enterprises, building public facilities, scholarship programs, and donation to schools. Moreover, the State Minister of State-owned Enterprises obliged all state-owned enterprises (BUMN) to allocate some amount of their profit to partnership and environment development programs (Program Kemitraan dan Bina Lingkungan-PKBL) based on the Minister Decree No. KEP-236/MBU/2003 dated June 13, 2003 regarding State-owned Company

Partnership Program with Small Enterprises and Environment Development (Effendi, 2008).

Sihotang and Margareth (2007) have conducted a content analysis research on the annual reporting of top 30 Indonesian companies listed in the Indonesia Stock Exchange. They observed an increasing trend of economic, social and environmental disclosures during 2003-2005 (see table 2). It is very obvious that economic performance indicators have dominated almost half of the total disclosures. As far as the social performance indicators are concerned, human rights performance indicators show the lowest percentage of all performance indicators. One could argue that there is a lack of company's awareness towards human rights issue in sustainability reporting.

Additionally, it is also worth noting that both Labor and Society sub-indicator share a relatively similar percentage of disclosure, whilst both Human Rights and Product Responsibility seem to have a considerably low percentage of disclosure, which is less than 3%.

Then, Figure 2 clearly indicated that during 2003 – 2005 period, there is an increasing disclosures for all performance indicators. Disclosures on economic performance were dominated the overall disclosure with twice fold in terms of frequency. The domination is then followed by Labor and Society Performance Indicator.

Companies used to disclose 'limited' information of their social and environmental activities in their annual reports and PKBL report (for state-owned enterprises). Unfortunately, the information seems not sufficient to satisfy all stakeholder expectations. To bridge the expectation gap, in May 2006 PT Astra International, Tbk, a large holding company with numerous lines of businesses, launched its first stand-alone corporate sustainability report.

After Astra's initiative, sustainability reporting practices shortly attained significant attention from investors, fund managers, professional organisations, market regulators as well as academicians. The increasing market attention encouraged four listed companies to

launch their sustainability report in the end of the year. Those companies were: PT Aneka Tambang (persero), Tbk, PT Tambang Batubara Bukit Asam (persero), Tbk, PT International Nickel Indonesia, Tbk, and PT Pembangunan Jaya Ancol, Tbk.

In 2007, more corporate sustainability reports were published by listed companies such as PT Timah (persero), Tbk, PT Indah Kiat Pulp & Paper, Tbk, PT Pabrik Kertas Tjiwi Kimia, Tbk, PT Unilever Indonesia, Tbk, PT Telekomunikasi Indonesia (persero), Tbk, and PT Holcim Indonesia, Tbk. The list of sustainability reporting companies in Indonesia by the end of 2008 is shown in table 3.

Interestingly, sustainability reporting also gained substantial attention from private-non listed companies and small and medium enterprises (SME) in Indonesia. Four private companies and three SMEs published their sustainability report regularly: PT Kaltim Prima Coal, PT Freeport Indonesia, PT Riau Andalan Pulp and Paper, PT Saptaindra Sejati, PT Intaran Indonesia, PT Bening Big Tree Farms and CV Manunggal Aswinabawa Sejahtera.

However, the amount of Indonesian companies published their stand-alone sustainability reporting is still very limited. Compared to total companies listed in the Indonesia Stock Exchange, the proportion is only 1.15%, 2.87% and 2.87% respectively in 2005, 2006 and 2007. The trend of reporting, especially from companies in agriculture and mining industries is positive due to the continuous promotion launched by the Indonesian Institute of Management Accountants (IAMI) through its annual Indonesia Sustainability Reporting Award (ISRA) as well as the issuance of Law No. 25 year 2007 concerning Capital Investment (Penanaman Modal) and Law No. 40 year 2007 concerning Limited Company (Perseroan Terbatas) in which CSR practices become mandatory.

3. SUSTAINABILITY REPORTING OF INTERNATIONAL OIL COMPANIES: CONTENT ANALYSIS

A content analysis has been conducted to assess the extent to which international oil companies have disclosed their corporate responsibility in line with GRI-based reporting principles during the period of 2005-2007. What next is the summary of the analysis.

3.1. *Beyond Petroleum (BP) p.l.c*

Table 4 disclosed that BP has applied an average of 44%, 45% and 46% of the GRI standards in their 2005, 2006 and 2007 Sustainability Report respectively. The application covers 88% of GRI standards applied in terms of Corporate Context, 94% in economic indicators, 35% in environmental indicators and 37% in social indicators. During the period of 2005 - 2007, the disclosure of economic aspects has dominated the Sustainability Reporting.

3.2. *Chevron Corporation*

From table 5 it can be concluded that Chevron has applied an average of 53%, 54% and 53% of the GRI standards in their 2005, 2006 and 2007 Corporate Responsibility Report respectively. It consists of 88% of GRI standards applied in term of Corporate Context, 56% in economic indicators, 50% in environmental indicators and 47% in social indicators. During the period of 2005 - 2007, the disclosure of economic aspects has dominated the Sustainability Reporting.

3.3. *ExxonMobil Corporation*

From table 6 it can be concluded that Exxon Mobil has applied an average of 45%, 56% and 50% of the GRI standards in their 2005, 2006 and 2007 Corporate Citizenship Report respectively. It consists of 79% of GRI standards applied in term of Corporate Context, 67% in economic indicators, 54% in environmental indicators and 40% in social indicators. During the period of 2005 - 2007, the disclosure of economic aspects has still dominated the Sustainability Reporting.

3.4. *Total S.A*

Table 7 reveals that Total has applied an average of 58%, 50% and 65% of the GRI standards in their 2005, 2006 and 2007 Corporate Social Responsibility Report respectively. It consists of 88% of GRI standards applied in term of Corporate Context, 61% in economic indicators, 43% in environmental indicators and 55% in social indicators. During the period of 2005 - 2007, the disclosure of economic aspects has still dominated the Sustainability Reporting.

3.5. *PT Medco Energi Internasional, Tbk*

From table 8 it can be seen that Medco Energi has applied an average of 29% of the GRI standards in its 2006 Sustainability Report. It consists of 88% of GRI standards applied in term of Corporate Context, 56% in economic indicators, 44% in environmental indicators and 47% in social indicators. In 2006, the disclosure of economic aspects has still dominated the Sustainability Reporting.

4. SUSTAINABILITY REPORTING AND PRODUCTION SHARING CONTRACT

The Production Sharing Contract which is the main contractual agreement regulating the relationship between the Government of Indonesia and the Production Sharing Contractors operating in the up-stream oil and gas industry, has to some degree addressed the triple aspect of Sustainability Reporting. (PSC, 2008)

4.1. *Economic Aspects*

Some clauses in the PSC have stipulated the economic aspects of petroleum operation in Indonesia. For example:

- "CONTRACTOR will recover all Operating Costs out of the sales proceeds or other disposition of the required quantity of Crude Oil equal in value to such Operating Costs, which is produced and saved here under and not used in Petroleum Operations".
- "Of the crude oil remaining after deducting all operating costs, the parties shall be

entitled to take and receive each year, respectively 61.5385% for the Government and 38.4615% for the Contractor."

- The Contractor "shall pay to the Government of Indonesia the Income tax including the final tax on profits after tax deduction imposed on it pursuant to the Indonesian income tax law and its implementing regulations".
- The Government "shall assume and discharge other Indonesian taxes of the contractor including Value-added Tax, transfer tax, import and export duties on materials, equipment and supplies brought into Indonesia by the contractors, their contractors and sub-contractors"
- The Contractor "shall fulfill obligation for supply of domestic market in Indonesia..."
- The Contractor "shall give preferences to such goods and services which are produced in Indonesia or rendered by Indonesian nationals, provided such goods and services are offered at equally advantageous conditions with regard to quality, price, availability at the time and in the quantities required."

In addition there are:

- Clauses on the First Tranche Petroleum, Investment credit, as well as payment of bonuses and compensations.
- Exhibit C of the PSC on the Accounting Procedures to be followed by all parties of the contract. The procedures make it possible to maintain books and account for recording all petroleum expenditures such as exploration, development, production and administrative ones.

4.2. Social Aspects

The PSC also stipulates that all production sharing contractors have to maintain good relationship with the community surrounding its operation areas. For that purpose, the PSC states:

- "Contractor furnish such other funds and be responsible to conduct a community development programs relating to the community surrounding and/or adjacent of the Contract Area during the term of the Contract."

In addition:

- Contractors "shall prepare and carry out plans and programs for industrial training and education of Indonesians for all job classifications with respect to operations contemplated hereunder".
- Contractor "shall agree to employ qualified Indonesian personnel in its operation and undertake the schooling and training of Indonesian personnel for labor and staff positions including administrative and executive management positions"
- Contractor shall "comply with all applicable laws of the Republic of Indonesia. It is also understood that the execution of the Work Program shall be exercised so as not to conflict with obligations imposed on GOI by international laws;"

4.3. Environmental Aspects

Beside the economic and social aspects, the Indonesian PSC also requires all contractors to fulfill their obligations to protect the environment. For example:

- Contractor "shall conduct an environmental baseline assessment at the beginning of CONTRACTOR's activities";
- Contractor "shall take the necessary precautions for protection of ecological systems, navigation and fishing and shall prevent extensive pollution of the area, sea or rivers and other as the direct result of operations undertaken under the Work Program;
- Contractor "shall after the CONTRACT expiration or termination, or relinquishment of part of the Contract Area, or abandonment of any field, remove all equipment and installations from the area in a manner acceptable to BPMIGAS and GOI, and perform all necessary site restoration activities in accordance with the applicable Government regulations to prevent hazards to human life and property of others or environment..."
- Contractor "shall include in the annual Budget of Operating Costs, an estimate of the anticipated abandonment and site

restoration costs for each exploratory well in the Work Program..."

- Contractor "shall include with requisite Plan of Development for each commercial discovery, an abandonment and site restoration program required after relinquishment of any part of Contract Area or abandonment of any Field together with a funding procedure for such program. The amount of monies estimated to be required for such abandonment and restoration program will be called "Abandonment and Restoration Funds" or "AARF" and shall be determined each Year in conjunction with the Budget of Operating Costs for the Plan of Development and Work Program and Budget of Operating Costs and be reviewed in the subsequent Years in accordance with Exhibit C.
- Contractor "shall comply with all applicable laws of the Republic of Indonesia. It is also understood that the execution of the Work Program shall be exercised so as not to conflict with obligations imposed on GOI by international laws"
- GRI-based reporting have been widely used in the sustainability reporting published by Indonesian companies.
- GRI-based sustainability reporting is the main reference used by international oil companies, instead of other reference such as the American Petroleum Institute/International Petroleum Industry Environment Conservation Association (API/IPIECA) Oil and Gas Industry Guidance on Voluntary Sustainability Reporting.
- Some industries have developed Sector supplements to help companies publish the sustainability reporting which is unique to the industry.
- Economic aspect disclosures have been dominating the Sustainability Reporting published by international oil companies.
- Production Sharing Contract have covered triple-bottom line aspects required for publishing sustainability report.
- GRI-based Sustainability Reporting seem to fit properly the information need of the stakeholders of the oil and gas industry.

5. CONCLUSION AND RECOMMENDATION

5.1. Conclusion

Based on the previous discussion, the following conclusion could be tentatively drawn

- Some Indonesian companies have managed to publish their own stand-alone Sustainability Report which evidently shows the awareness of Indonesian companies towards Sustainability Reporting.
- The main disclosure made by Indonesian companies in their Sustainability Reporting is that of economic performance indicators.

5.2. Recommendation

The following recommendations could be offered by this article:

- In order to increase the transparency and public accountability in managing the industry, oil and gas companies operating in Indonesia need to voluntarily publish their own sustainability reporting. Mandatory publication seems to be the last option if voluntary approach does not work.
- Oil and gas companies operating in Indonesia needs to develop their own Sector Supplement which is unique to the Indonesian business environment.

Table 1 Characteristics of Sustainability Reporting (Gray et.al.,1986)

Subject	Audience	Content	Motivation	Reliability
• Shareholders	• Shareholders	• Narrative	• Ethics	• Estimated and partial data
• Investments	• Financial markets and intermediaries	assertion	• Individual commitment	• Internal audit and information systems
• Employees	• Employees	factual	• Accountability	• Externally prepared
• Consumers	• Management	intentions	• Legal	• Externally commented upon
• Community	• Trade unions	• Quantitative	• Code of practice	• External audit
• Environment	• Potential employees	actual	• Anticipate regulation	
• Total Impact	• Communities	targets	• Forestall regulation	
• General policy	• Pressure groups	comparative	• Marketing	
• Ethics and standards	• Media	• Financial	• Public image	
• National and local governments	• National governments	expenditure	• Defence	
• Dealings with other countries	• Local governments	commitment	• Distract attention	
	• Regulatory bodies	requirement	• Influence perceptions	
	• Competitors	valuation	• Response to pressure	
	• Peers	Impact	• Get ahead of/stay with competitors	
	• Industry groups	liability	• Experimentation	
	• Consumers		• Previously given commitment	
	• Suppliers		• Ethical investor	
	• Society in general		• To overcome fears of secrecy	
			• To maintain position of power	
			• Legitimation	

Table 2 Trend of Sustainability Reporting 2003-2005 (Sihotang and Margareth, 2008)

Indicators	Year						3 years average
	2003	2003(%)	2004	2004(%)	2005	2005(%)	
Economic	2,007	55,40%	2,174	49,29%	2,236	45,24%	49,98%
Environmental	154	4,25%	250	5,67%	309	6,25%	5,39%
Social	1,462	40,35%	1,987	45,05%	2,397	48,50%	44,63%
Labor	770	21,25%	845	19,16%	1,049	21,23%	20,55%
Human Rights	13	0,36%	22	0,50%	20	0,40%	0,42%
Society	616	17,00%	1,000	22,67%	1,206	24,40%	21,36%
Products Responsibility	63	1,74%	120	2,72%	122	2,47%	2,31%
Total	3,623	100,00%	4,411	100,00%	4,942	100,00%	100,00%

Table 3 Sustainability Reporting Companies in Indonesia (IAMI,2008)

No	Corporates/Emiten	Major Shareholder	Information
1	PT Astra International, Tbk.	Foreign company (PMA)	Publicly-listed
2	PT Pembangunan Jaya Ancol, Tbk.	Local Government (BUMD)	Publicly-listed
3	PT Tambang Batubara Bukit Asam (persero), Tbk.	State-owned (BUMN)	Publicly-listed
4	PT Aneka Tambang (persero), Tbk.	State-owned (BUMN)	Publicly-listed
5	PT International Nickel Indonesia, Tbk.	Foreign company (PMA)	Publicly-listed
6	PT Unilever Indonesia, Tbk.	Foreign company (PMA)	Publicly-listed
7	PT Telekomunikasi Indonesia (persero), Tbk	State-owned (BUMN)	Publicly-listed
8	PT Timah (persero), Tbk	State-owned (BUMN)	Publicly-listed
9	PT Medco Energy, Tbk	Domestic company (PMDN)	Publicly-listed
10	PT Holcim Indonesia, Tbk	Foreign company (PMA)	Publicly-listed
11	PT Indah Kiat Pulp and Paper, Tbk.	Domestic company (PMDN)	Publicly-listed
12	PT Pabrik Kertas Tjiwi Kimia, Tbk.	Domestic company (PMDN)	Publicly-listed
13	PT Kaltim Prima Coal	Domestic company (PMDN)	Private
14	PT Freeport Indonesia	Foreign company (PMA)	Private
15	PT Riau Andalan Pulp and Paper	Foreign company (PMA)	Private
16	PT Saptaindra Sejati	Domestic company (PMDN)	Private
17	PT Intaran Indonesia	Domestic company (PMDN)	SME
18	CV Manunggal Aswinabawa Sejahtera	Domestic company (PMDN)	SME
19	PT Bening Big Tree Farms	Foreign company (PMA)	SME

Table 4 Reporting Aspects Application Level for BP

GRI Reporting Aspects		Periods of Reporting			
		2005	2006	2007	Average
Corporate Context:					
□	Strategy and analysis	√	√	√	100%
□	Organisational profile	√	√	√	100%
□	Report parameters	√	√	√	100%
□	Governance, commitment and engagement	ô	ô	ô	50%
Economic Performance Indicators:					
□	Economic performance	ô	ô	ô	100%
□	Market presence	ô	ô	ô	100%
□	Indirect economic impacts	ô	√	√	83%
Environmental Performance Indicators:					
□	Materials	e	e	e	0%
□	Energy	ô	ô	ô	50%
□	Water	ô	ô	ô	50%
□	Biodiversity	ô	ô	ô	50%
□	Emissions, effluents and waste	ô	ô	√	67%
□	Products and services	e	e	e	0%
□	Compliance	ô	ô	√	67%
□	Transport	e	ô	ô	33%
□	Overall	e	e	e	0%
Social Performance Indicators:					
Labor Practices and Decent Work					
□	Employment	ô	ô	ô	50%
□	Labor/management relations	e	e	e	0%
□	Occupational health and safety	ô	ô	ô	50%
□	Training and education	ô	ô	ô	50%
□	Diversity and equal opportunity	ô	ô	ô	50%
Human Rights					
□	Investment and procurement practices	ô	ô	ô	50%
□	Non-discrimination	√	ô	e	50%
□	Freedom of association and collective bargaining	ô	e	e	17%
□	Child labor	ô	ô	ô	50%
□	Forced and compulsory labor	ô	ô	ô	50%
□	Security practices	√	e	ô	50%
□	Indigenous rights	e	ô	ô	33%
Society					
□	Community	√	√	√	100%
□	Corruption	ô	e	e	17%
□	Public policy	ô	√	ô	67%
□	Anti-competitive behavior	e	ô	ô	33%
□	Compliance	e	ô	ô	33%
Product Responsibility					
□	Customer health and safety	e	ô	ô	33%
□	Product and service labeling	e	e	e	0%
□	Marketing communications	e	e	e	0%
□	Customer privacy	e	e	e	0%
□	Compliance	e	ô	ô	33%
GRI Content Index		√	e	e	33%
External Assurance		√	√	√	100%
Average of GRI reporting aspects application level		44%	45%	46%	
√ = Fully reported, ô = Partially reported, e = Not reported					

Table 5 Reporting Aspects Application Level for Chevron

GRI Reporting Aspects		Periods of Reporting			
		2005	2006	2007	Average
Corporate Context:					
□	Strategy and analysis	√	√	√	100%
□	Organisational profile	√	√	√	100%
□	Report parameters	√	√	√	100%
□	Governance, commitment and engagement	∅	∅	∅	50%
Economic Performance Indicators:					
□	Economic performance	∅	∅	∅	50%
□	Market presence	∅	∅	∅	50%
□	Indirect economic impacts	√	∅	∅	67%
Environmental Performance Indicators:					
□	Materials	e	e	∅	17%
□	Energy	∅	∅	∅	50%
□	Water	e	e	e	0%
□	Biodiversity	∅	∅	∅	50%
□	Emissions, effluents and waste	∅	∅	∅	50%
□	Products and services	∅	∅	∅	50%
□	Compliance	√	√	√	100%
□	Transport	∅	∅	e	33%
□	Overall	√	√	√	100%
Social Performance Indicators:					
Labor Practices and Decent Work					
□	Employment	∅	∅	∅	50%
□	Labor/management relations	∅	∅	∅	50%
□	Occupational health and safety	∅	∅	√	67%
□	Training and education	∅	∅	e	33%
□	Diversity and equal opportunity	√	√	∅	83%
Human Rights					
□	Investment and procurement practices	∅	∅	∅	50%
□	Non-discrimination	∅	∅	∅	50%
□	Freedom of association and collective bargaining	∅	∅	∅	50%
□	Child labor	∅	∅	∅	50%
□	Forced and compulsory labor	∅	∅	∅	50%
□	Security practices	e	∅	∅	33%
□	Indigenous rights	e	e	e	0%
Society					
□	Community	∅	∅	∅	50%
□	Corruption	∅	∅	∅	50%
□	Public policy	√	√	√	100%
□	Anti-competitive behavior	∅	∅	∅	50%
□	Compliance	√	√	√	100%
Product Responsibility					
□	Customer health and safety	∅	∅	∅	50%
□	Product and service labeling	∅	∅	e	33%
□	Marketing communications	e	e	e	0%
□	Customer privacy	e	∅	e	17%
□	Compliance	e	e	e	0%
GRI Content Index		√	√	√	100%
External Assurance		e	e	√	33%
Average of GRI reporting aspects application level		53%	54%	53%	
√ = Fully reported, ∅ = Partially reported, e = Not reported					

Table 6 Reporting Aspects Application Level for Exxon Mobil

GRI Reporting Aspects		Periods of Reporting			
		2004	2006	2007	Average
Corporate Context:					
□	Strategy and analysis	√	√	√	100%
□	Organisational profile	ø	Ø	ø	50%
□	Report parameters	ø	√	√	83%
□	Governance, commitment and engagement	ø	√	√	83%
Economic Performance Indicators:					
□	Economic performance	ø	Ø	ø	50%
□	Market presence	ø	Ø	ø	50%
□	Indirect economic impacts	√	√	√	100%
Environmental Performance Indicators:					
□	Materials	ø	Ø	e	33%
□	Energy	ø	Ø	ø	50%
□	Water	ø	Ø	ø	50%
□	Biodiversity	ø	Ø	ø	50%
□	Emissions, effluents and waste	ø	Ø	ø	50%
□	Products and services	ø	Ø	ø	50%
□	Compliance	ø	√	√	83%
□	Transport	ø	e	e	17%
□	Overall	√	√	√	100%
Social Performance Indicators:					
Labor Practices and Decent Work					
□	Employment	ø	Ø	ø	50%
□	Labor/management relations	e	e	e	0%
□	Occupational health and safety	ø	Ø	ø	50%
□	Training and education	ø	Ø	ø	50%
□	Diversity and equal opportunity	ø	Ø	ø	50%
Human Rights					
□	Investment and procurement practices	e	e	e	0%
□	Non-discrimination	e	e	e	0%
□	Freedom of association and collective bargaining	ø	√	ø	67%
□	Child labor	ø	√	e	50%
□	Forced and compulsory labor	ø	√	e	50%
□	Security practices	ø	√	ø	67%
□	Indigenous rights	√	e	ø	50%
Society					
□	Community	√	√	√	100%
□	Corruption	√	Ø	√	83%
□	Public policy	ø	√	√	83%
□	Anti-competitive behavior	e	e	e	0%
□	Compliance	e	Ø	ø	33%
Product Responsibility					
□	Customer health and safety	ø	Ø	ø	50%
□	Product and service labeling	e	e	e	0%
□	Marketing communications	e	e	e	0%
□	Customer privacy	e	e	e	0%
□	Compliance	ø	Ø	ø	50%
GRI Content Index		e	√	√	67%
External Assurance		e	√	√	67%
Average of GRI reporting aspects application level		45%	56%	50%	

√ = Fully reported, ø = Partially reported, e = Not reported

Table 7 Reporting Aspects Application Level for Total

GRI Reporting Aspects		Periods of Reporting			
		2005	2006	2007	Average
Corporate Context:					
□	Strategy and analysis	√	√	√	100%
□	Organisational profile	ø	√	√	83%
□	Report parameters	√	√	√	100%
□	Governance, commitment and engagement	ø	√	ø	67%
Economic Performance Indicators:					
□	Economic performance	ø	ø	ø	50%
□	Market presence	ø	ø	ø	50%
□	Indirect economic impacts	√	ø	√	83%
Environmental Performance Indicators:					
□	Materials	ø	ø	ø	0%
□	Energy	ø	ø	ø	50%
□	Water	ø	ø	ø	50%
□	Biodiversity	ø	ø	ø	50%
□	Emissions, effluents and waste	√	ø	√	83%
□	Products and services	ø	ø	ø	50%
□	Compliance	ø	ø	√	33%
□	Transport	√	ø	ø	50%
□	Overall	ø	ø	ø	17%
Social Performance Indicators:					
Labor Practices and Decent Work					
□	Employment	ø	√	ø	67%
□	Labor/management relations	√	ø	ø	67%
□	Occupational health and safety	√	ø	√	83%
□	Training and education	√	ø	√	83%
□	Diversity and equal opportunity	ø	ø	√	67%
Human Rights					
□	Investment and procurement practices	ø	ø	ø	17%
□	Non-discrimination	√	ø	ø	67%
□	Freedom of association and collective bargaining	√	ø	√	83%
□	Child labor	√	ø	ø	50%
□	Forced and compulsory labor	√	ø	ø	67%
□	Security practices	√	√	ø	83%
□	Indigenous rights	ø	ø	ø	17%
Society					
□	Community	√	√	√	100%
□	Corruption	ø	ø	ø	50%
□	Public policy	ø	ø	√	67%
□	Anti-competitive behavior	ø	√	√	83%
□	Compliance	ø	√	√	67%
Product Responsibility					
□	Customer health and safety	ø	ø	ø	50%
□	Product and service labeling	ø	ø	ø	17%
□	Marketing communications	ø	ø	ø	17%
□	Customer privacy	ø	ø	ø	0%
□	Compliance	ø	ø	ø	0%
GRI Content Index		√	√	√	100%
External Assurance		√	√	√	100%
Average of GRI reporting aspects application level		58%	50%	65%	
√ = Fully reported, ø = Partially reported, ø = Not reported					

Table 8 Reporting Aspects Application Level for Medco Energi

GRI Reporting Aspects		Periods of Reporting			
		2005	2006	2007	Average
Corporate Context:					
<input type="checkbox"/>	Strategy and analysis		√		
<input type="checkbox"/>	Organisational profile		√		
<input type="checkbox"/>	Report parameters		ô		
<input type="checkbox"/>	Governance, commitment and engagement		ô		
Economic Performance Indicators:					
<input type="checkbox"/>	Economic performance		ô		
<input type="checkbox"/>	Market presence		ô		
<input type="checkbox"/>	Indirect economic impacts		ô		
Environmental Performance Indicators:					
<input type="checkbox"/>	Materials		e		
<input type="checkbox"/>	Energy		ô		
<input type="checkbox"/>	Water		ô		
<input type="checkbox"/>	Biodiversity		√		
<input type="checkbox"/>	Emissions, effluents and waste		ô		
<input type="checkbox"/>	Products and services		e		
<input type="checkbox"/>	Compliance		e		
<input type="checkbox"/>	Transport		e		
<input type="checkbox"/>	Overall		ô		
Social Performance Indicators:					
Labor Practices and Decent Work					
<input type="checkbox"/>	Employment		ô		
<input type="checkbox"/>	Labor/management relations		ô		
<input type="checkbox"/>	Occupational health and safety		ô		
<input type="checkbox"/>	Training and education		ô		
<input type="checkbox"/>	Diversity and equal opportunity		ô		
Human Rights					
<input type="checkbox"/>	Investment and procurement practices		e		
<input type="checkbox"/>	Non-discrimination		e		
<input type="checkbox"/>	Freedom of association and collective bargaining		ô		
<input type="checkbox"/>	Child labor		e		
<input type="checkbox"/>	Forced and compulsory labor		e		
<input type="checkbox"/>	Security practices		e		
<input type="checkbox"/>	Indigenous rights		e		
Society					
<input type="checkbox"/>	Community		ô		
<input type="checkbox"/>	Corruption		e		
<input type="checkbox"/>	Public policy		e		
<input type="checkbox"/>	Anti-competitive behavior		e		
<input type="checkbox"/>	Compliance		e		
Product Responsibility					
<input type="checkbox"/>	Customer health and safety		ô		
<input type="checkbox"/>	Product and service labeling		e		
<input type="checkbox"/>	Marketing communications		e		
<input type="checkbox"/>	Customer privacy		e		
<input type="checkbox"/>	Compliance		e		
GRI Content Index			e		
External Assurance			e		
Average of GRI reporting aspects application level		0%	29%	0%	
√ = Fully reported, ô = Partially reported, e = Not reported					

Figure 1 Overview of GRI G3 Sustainability Reporting Guidelines (GRI)

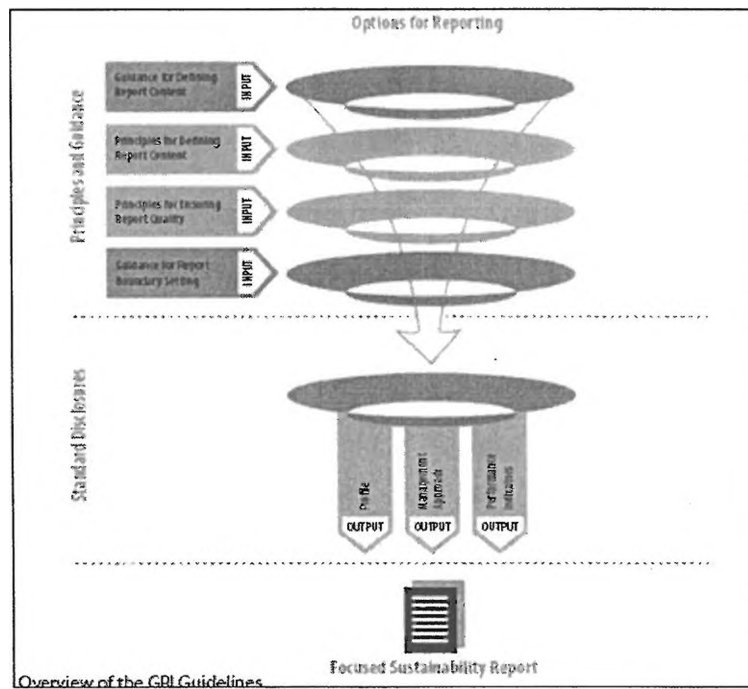
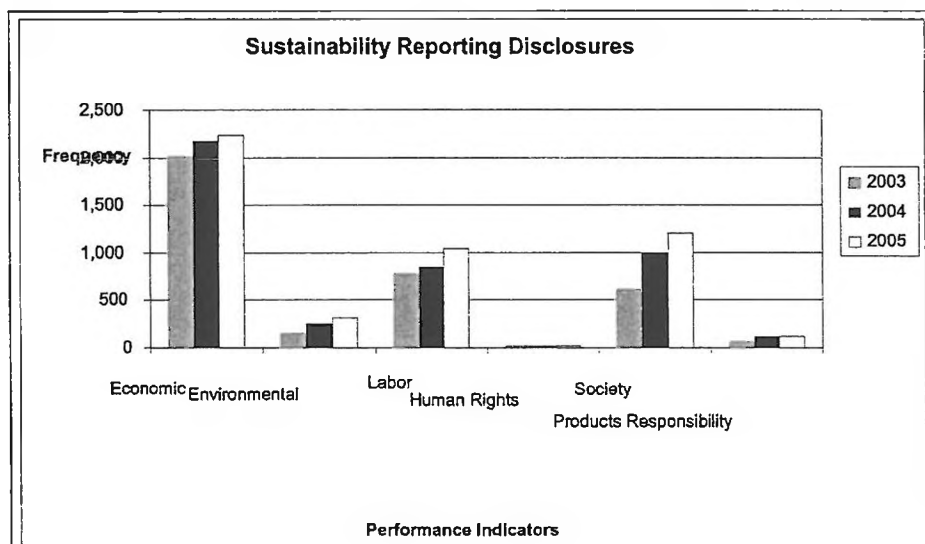


Figure 2 Frequency of Sustainability Reporting Disclosures (Sihotang and Margareth, 2008)



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