



Sustainable financial governance training for civil society organizations (CSOs) in Indonesia

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ABSTRACT

In Indonesia, sustainable finance is defined as the financial services industry's overall support for long-term growth as a result of the alignment of economic, social, and environmental interests. Entities are required to disclose activities related to the economy, social, and environment in which they are profit institutions in the Sustainability Report. Sustainability reports are not required for Civil Society Organizations (CSOs), but CSOs are intimately involved in sustainability activities. The possibility of collaborative activities or funding between profit institutions and CSOs is required. CSOs must be trained in sustainable finance in order to have the same frequency as profit institutions. This is the foundation for holding sustainable finance training activities for CSOs. This training is being offered in collaboration with the Penabulu Foundation and Co Evolve. Sixty people participated in the training activity via Zoom media. Participants in the training included CSOs, workers, students from Indonesian universities, and civil servants. Based on the online sheets received, this training received positive feedback from participants. In general, the participants are welcomed and enthusiastically participated in this training.

Keywords: Pronunciation, Online Learning, Optimize

1. INTRODUCTION

The direction of responsible economic growth is an integral part of the sustainable development goals. The transition to sustainable development must be based on a change in the mindset of business actors that business activities will be better and more sustainable if they pay attention to social, environmental and governance aspects. This agenda was created to answer the demands of world leadership in creating sustainable economic growth by aligning economic, social and environmental interests. OJK has prepared the Sustainable Finance Roadmap Phase I (2015 - 2019) as an initial step to increase awareness and capacity of the Financial Services Industry (IJK) to implement environmental, social and governance (LST) aspects and adapt to climate change towards a low-carbon economy. Reports on agency activities related to economic, social and environmental aspects are commonly referred to as Sustainability Reports.

In Indonesia, sustainability reports have become mandatory since the Financial Services Authority (OJK) has launched OJK Regulation No. 51/POJK03/2017 (POJK51/2017) concerning

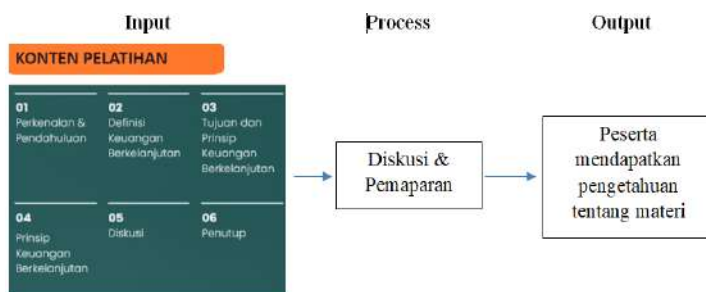
the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies. Since then, all institutions under the supervision of OJK (Financial Services Institutions, Issuers and Public Companies) are required to issue a Sustainability Report in accordance with the period. They can disclose sustainability information, either in an annual or separate report, which is in a sustainability report (Wanta & Gunawan, 2021).

Sustainability Reports are not mandatory for Civil Society Organizations (CSOs) but CSOs have a close relationship with sustainability activities. The potential for cooperation in the form of activities or funding between Agencies or Companies that publish Sustainability Reports and CSOs is a necessity. In order for CSOs to have the same frequency as profit institutions, it is necessary to have training related to sustainable finance for CSOs. The Penabulu Foundation with the support of the European Union launched the "Strengthening Indonesian CSOs Capacity and Resilience in Response to COVID-19 Pandemic (CO-EVOLVE) project. This project will provide support to 200 local Civil Society Organizations (CSOs) in 34 provinces in Indonesia and is expected to benefit another 500 civil society organizations throughout Indonesia through a series of online

trainings, webinars, CSO communication forums, thematic alliance forums. and a crowdsourcing platform (raising public resources). As part of the implementation of the Project, Penabulu Foundation supports the conduct of Training on Sustainable Financial Governance for CSOs. The speaker in the training is Mr. Derry Wanta who has experience in compiling a Sustainability Report and has received training as a trainer by the International Finance Corporation (IFC) in 2019 assisted by Ms. Saminem.

2. METHODS

The sustainable financial governance training will take place on Monday, November 29, 2021, from 09.00 to 12.00. The place of activity in Jakarta and carried out online through the media zoom. This activity is in collaboration with the Penabulu Foundation related to the “Strengthening Indonesian CSOs Capacity and Resilience in Response to COVID-19 Pandemic (CO-EVOLVE) Project. The method of application in this training is carried out with interactive training methods in where, the speaker was assisted by the Master of Ceremony (MC) providing knowledge about sustainable finance and followed by a question and answer session. In addition, so that the training is interesting and not boring, there is an ice breaking activity in the middle of giving the material. Meanwhile, in its implementation, the facilities used in Among them are Zoom webinar software, computers, Mentimer software and Microsoft Power point. Meanwhile, in order for the implementation of this training to run smoothly and in accordance with the target, an activity roadmap is needed. The Roadmap of this training activity is as follows;



3. RESULTS, DISCUSSION, AND IMPACT

There are several challenges in changing the sustainable mindset that need to be overcome. Cooperation involving various parties to mitigate and adapt to climate change is the main solution in ensuring that supporting investments meet the sustainable category by integrating environmental, social and governance aspects. In this context, the Financial Services sector has an important role in accelerating the process of economic recovery

through changes in conventional business patterns to become sustainable. The process of change can be combined together with technological developments.

Indonesia is two developing countries that have entered an advanced stage in implementing sustainable finance (Sustainable Finance). Corporate social responsibility in financial service institutions is called sustainable finance, which aims to provide capital to a business or business that does not cause harm to the environment, social community and economic welfare (Ryszawska, 2016). On the other hand, according to Abubakar & Tri Handayani (2019), with the start of implementing sustainable finance, in this era, many innovations and better services have emerged to clients to ensure higher profitability. As one of the authorities in the Unitary State of the Republic of Indonesia, the Financial Services Authority (OJK) certainly has a role to play in the success of this commitment through a sustainable finance program. Action on sustainable finance (sustainable finance) is a financial industry practice that promotes sustainable growth by aligning economic, social and environmental aspects. The Financial Services Authority (OJK) has issued regulations regarding the implementation of sustainable finance in POJK No.51/POJK.03/2017 Furthermore, OJK in collaboration with several related institutions has prepared a Sustainable Finance Roadmap. This roadmap aims to describe the conditions to be achieved related to sustainable finance in Indonesia in the medium (2015-2019) and long term (2015-2024) for the financial services industry under the supervision of OJK as well as to determine and develop improvement milestones related to sustainable finance. This roadmap will be a reference for OJK and financial services industry players as well as other parties who have an interest in supporting sustainable development, especially the government, industry players and international institutions (Hadad, 2015).

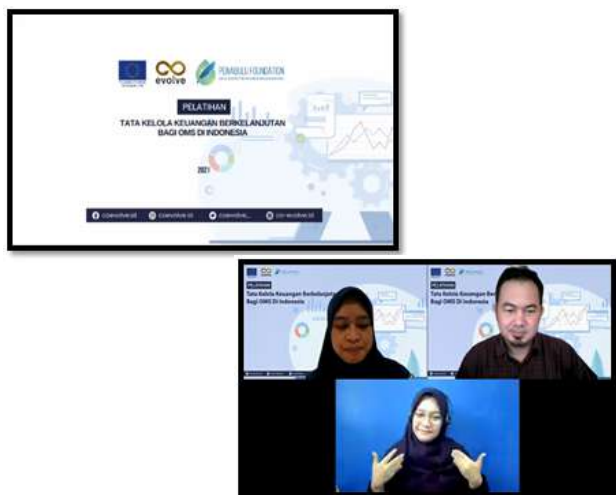
Sustainability Reports are not mandatory for Civil Society Organizations (CSOs) but CSOs have a close relationship with sustainability activities. CSOs as part of Indonesian society have a strategic role in the success of Sustainable Finance in Indonesia. Given that information about SF has not been formally taught in the general public and other campuses, a training program needs to be made so that CSOs have sensitivity and knowledge about Sustainable Finance including the Sustainability Report. The purpose of holding this training on sustainable finance governance is to provide knowledge to civil society organizations and the general public about what and how sustainable finance is and its governance. Furthermore, this training also aims to provide knowledge about the objectives and principles of sustainable finance. In addition, training is carried out so that Civil Society Organizations and the general public know their role in the success of sustainable finance. In addition, the importance of sustainable finance is increasing along with the concept of profit orientation which is no longer the only main indicator in the company's sustainability. Companies are not only required to produce good economic performance, but also need to think about environmental social impacts and developments (Gunawan and Susilo, 2021).

Training is a process of systematically changing employee behavior to achieve organizational goals. Training is related to the skills and abilities of employees to carry out their current work (Rivai & Sagala, 2011:212). Meanwhile, according to

Widodo (2015: 82), training is a series of individual activities in systematically increasing skills and knowledge so that they are able to have professional performance in their fields. Training is a learning process that allows employees to carry out their current work according to standards. So it can be concluded that to be able to understand something if done systematically and continuously can make us able to have the ability according to the field. So it is very important to conduct sustainable financial management training.

The sustainable financial management training activity begins with the opening of a Zoom room meeting link for participants and invited guests who will attend this activity. After that, mapping and pre-test were carried out for the participants. This activity was carried out to determine the extent of participants' knowledge about sustainable finance (sustainable finance). Then the core activities of the training on sustainable financial governance began.

Figure 1: Speakers provide training on Sustainable Financial Governance



- This training, in general, provides material on;
1. What and how is Climate Change including discussing: UNFCCC, Paris Agreement, Climate Finance and Climate Change Fund in Indonesia
 2. The concept of Sustainability includes discussing: 3Ps, Definition of Sustainable Finance, OJK Roadmap, Principles of Sustainable Finance, Category of Sustainable Activities, POJK No. 51/POJK.03/2017
 3. The Concept of Sustainable Development Goals and Its Application in Indonesia
 4. The effects of SDG's
 5. Internal Control (What and How)
 6. Mind Mapping for CSOs

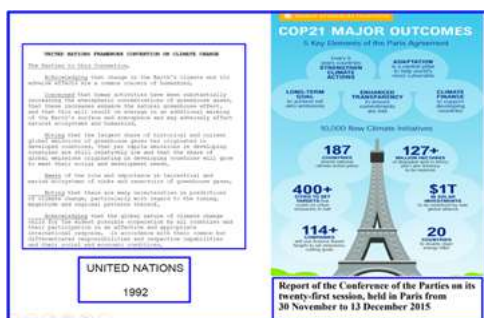
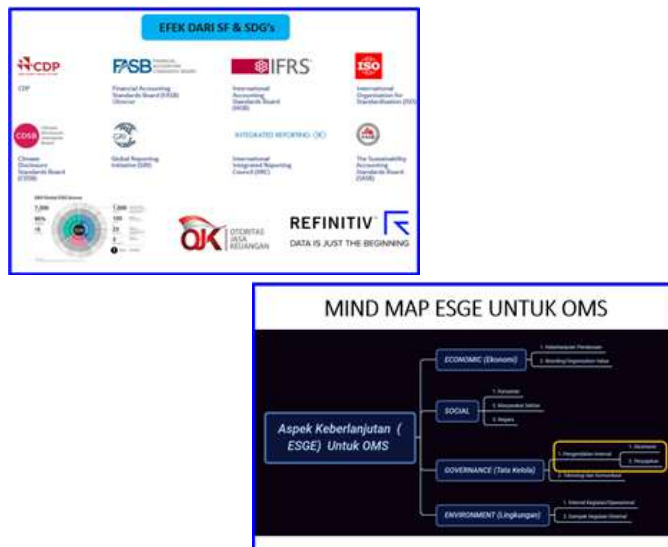


Figure 2 : Materials for the UNFCC and the Paris Agreement

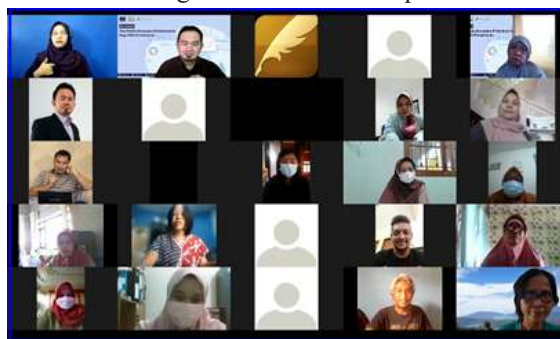
Figure 3 : Effects of SF & SDG's (left) & ESGE Mind Map for CSOs (right)



Besides The discussion above also explains and provides examples and directions on how to implement sustainable financial governance for CSOs.

This training activity went smoothly even though the topics given were not very familiar because sustainable financial governance is a new thing for CSOs. Based on the attendance list distributed to participants, this training activity was attended by 54 participants with a composition of 16 men and 38 women. This number does not include the committee, Co Evolve, and the Penabulu Foundation. Participants consisted of various institutions such as CSOs, workers, students from universities in Indonesia and civil servants.

Figure 5 : Zoom Participants



4. CONCLUSION

This training activity went smoothly. It's just that when the activity took place, there were obstacles in the form of the internet being unstable, but all of them could be handled properly. In addition, this training activity was quite successful, it was seen from the enthusiasm of the participants and their responsiveness in responding to the material provided by the presenters. Many questions were asked by the participants about how to implement sustainable finance. This shows that the

participants' interest and understanding of the management of sustainable finance for CSOs is very large. Even so, participants still need further guidance and direction related to the implementation of sustainable finance, especially in direct practice in related companies or organizations.

Suggestions in the future this activity can be carried out again because there are still many general public who are ignorant and do not know about what and how sustainable finance is so that synergies can be established between profit institutions and CSOs. In addition, it is important to carry out further training to follow up on the progress of the previous participants' understanding of sustainable finance, especially how the practice is in the field.

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