

The Responsibilities of Regional Water Supply Companies in Fulfilling Clean Water Needs are Associated with the Limited Liability Company Law

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ABSTRACT

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At district or city level, Municipal Waterworks (PDAM) manages drinking water. However, some districts or cities has changed its name to Public Municipal Waterworks (abbreviated as *Perumda Air Minum*; drinking water). Given the importance of PDAM, regional company must professionally and efficiently do their business. The study aims to examine and investigate the accountability of public municipal waterworks in the regulation and implementation of clean water needs; Kuningan Regency, as well as relate it to regional regulations and law No. 40 of 2007; limited liability company. The study employed an empirical legal approach involving primary, secondary, and tertiary data. Observation and interviews were used as instruments, and the data was analyzed qualitatively. The finding revealed that public municipal waterworks, Kuningan Regency, has implemented corporate social responsibility to the community; addressing the clean water crisis. For example, providing assistance through tanker services (to fulfill clean water needs), compensation (cost reductions), and a means for complaints, acquiring new water sources ,and guarding and caring for springs in Kuningan Regency, and replanting tree species program as a source of underground water storage.



Introduction

Indonesia has a dense population that is rapidly growing each year. According to population data, Indonesia's population is growing at a rate of 2.3% per year, which means that if population growth does not slow down, the population will double in the next 30 years. This condition will cause a decrease in water quality and quantity, also known as water scarcity, as population growth limits water availability.¹

It is the state obligation to manage the need of water at best for the sake of community's welfare, as stipulated in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia which reads "Earth and water and the natural resources contained therein are controlled by the State and used for the greatest prosperity of the people. However, its implementation is delegated to the Regional Government rather than being handled directly by the Central Government. This is based on Article 18 A of the 1945 Constitution of the Republic of Indonesia; regional autonomy. The government can establish a Regional Owned Enterprise (BUMD) to carry out regional autonomy, which is a business entity whose capital is partially or entirely owned by the region.

Adequate access to clean water will improve public health; A healthy and productive society serves as the foundation for realizing a just, prosperous country. Accordingly, the

¹Adinda Yustika Maulida, Suratman dan Diyan Isnaeni, *Prinsip Asas Tanggung Jawab Perusahaan Daerah Air Minum (Pdam) Terhadap Konsumen Terkait Pemenuhan Kebutuhan Air Bersih*, Jurnal Ilmiah Ilmu Hukum, Volume 27 Nomor 11, Fakultas Hukum Universitas Islam Malang, Malang, 2021, p. 1682.

government is obligated to provide clean water services for the people's maximum benefit. According to Regional Government Law No. 23 of 2014, government affairs relating to basic services are concurrent and mandatory. Access to clean water or safe drinking water is a concurrent and obligatory government affair, with administration divided among the Central, Provincial, and Regency or Municipal Governments.²

Regional governments are responsible for managing water resources in river basins that cover a single Regency or City, ensuring that water supplies meet the basic needs of the community, supporting smallholder agriculture, as well as business and non-business activities. Municipal waterworks (PDAM) manage drinking water at the district or city level. However, some districts or cities have renamed themselves Public Municipal Waterworks (abbreviated as Perumda Air Minum; drinking water).³ Municipal waterworks (PDAM) is a Regional Owned Enterprise (government agency) that provides public services, including meeting the need for clean water.⁴ Cooperatives, privately owned businesses, and/or the community may participate only if BUMN (state-owned enterprises)/BUMD (municipally-owned corporations) are unable to increase the quantity and quality of drinking water services in their coverage areas.⁵ Given the importance of PDAM, the Regional Company must conduct business in a professional and efficient manner. Article 1 paragraph (1) of Law No. 25 of 2009; Public Services are activities carried out by public service providers to meet the needs of every citizen and resident for goods, services, and/or administrative services in accordance with statutory regulations. Accordingly, a measure is required to determine the quality of these services.⁶

The government attempts to meet clean water needs by collaborating with private parties, such as managing water facilities and infrastructure in areas where access to clean water is extremely limited, using a variety of provisions. As a result, it will benefit the community, the government, and related private parties. The two parties' coordination must be capable of accommodating interests while minimizing the risk of default. Water management supervision is required in Kuningan regency not only for regulation implementation, but also for cooperation agreements involving the local government and private parties. The supervision must be guided by predetermined plans, orders, goals, and policies. The term "supervision" refers to performance measures and supportive actions taken to achieve an expected result in line with predetermined performance.⁷

Public services are the government responsibilities and are provided by government agencies at the central and regional levels, as well as in the environment. Public services include both public goods and services. Today's society is more open to criticizing public services. As a result, administrative substances play a critical role in regulating and directing the activities of all service organizations. Customers expect not only the fulfillment of their needs, but also the quality of service they receive, such as the availability of clean water; in

² Eko Wiji Purwanto, *Pembangunan Akses Air Bersih Pasca Krisis Covid-19*, Jurnal Perencanaan Pembangunan, Volume 4 Nomor 2, Kementerian Perencanaan Pembangunan Nasional atau Bappenas RI, Jakarta, 2020, p. 208.

³ Putu Devi Yustisia Utami dan Dewa Gede Pradnya Yustiawan, *Kenaikan Tarif Air Minum Dalam Standar Contract: Tinjauan Perlindungan Konsumen*, Jurnal Ilmiah Ilmu Sosial, Volume 6 Nomor 2, Universitas Udayana, Bali, 2020, p. 63.

⁴ Asep Nurwanda, *Analisis Strategi Terhadap Peningkatan Kepuasan Studi Analisis Di Bumd (Pdam) Tirta Anom Kota Banjar Patroman*, Jurnal Moderat, Volume 5 Nomor 2, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Galuh, Ciamis, 2019, p. 113-114.

⁵ Intan Nur Indah, Haris Budiman and Bias Lintang Dialog, "The Implementation of the Agreement of Water Pipeline Installation Between Regional Water Companies with CV. Tenjo Laut". UNIFIKASI : Jurnal Ilmu Hukum. 6(2). 2019.219-225.DOI :10.25134/unifikasi.v6i2.2139

⁶ Adinda Yustika Maulida, Suratman dan Diyan Isnaeni, *Op.Cit*, p. 1683.

⁷ Tarsim, Tarsim., & Erga Yuhandra. Implementasi Kewenangan Badan Permusyawaratan Desa (BPD) Dalam Menjalankan Fungsi Pengawasan Terhadap Pemerintah Desa (Studi di Kabuapten Kuningan). UNIFIKASI : Jurnal Ilmu Hukum, 5.1 (2018), 1-14. DOI : <https://doi.org/10.25134/unifikasi.v5i1.759>

this case, the Municipal Waterworks (PDAM) plays a role in providing satisfaction to its customers.⁸ Municipal Waterworks (PDAM) is a government agency; a Regionally Owned Enterprise that provides public services or services that address the need for clean water.⁹ Where its position as a profit-driven business entity on the one hand, and consumer protection on the other, is a legal issue that requires attention,¹⁰ particularly since the enactment of Law No. 40 of 2007 on Limited Liability Companies, which states that any company that conducts business in the field of and/or related to natural resources is required to carry out this social and environmental responsibility.

Research Methods

The study was analytical descriptive, with empirical legal approach. The data were collected through observation and interviews, as well as from primary data (legislation), secondary data (journals and books), and tertiary data (Indonesian and English dictionaries). Meanwhile, field notes and tape recorders were used as instruments. The data was then qualitatively analyzed to draw conclusions, linking primary, secondary, and tertiary data descriptively. As a result, the study can be structured in a systematic and clear manner, answering the main points of the topic under study.

Results and Discussion

The importance of water as a source of life for creatures, make the water regulation has been included in the constitution of the Republic of Indonesia, as stated in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, "Earth and Water and the natural resources contained therein are controlled by the state and used for the people greatest prosperity". This article asserts that Indonesia maintains permanent sovereignty over its natural resources, including water. Article 33 then becomes the corridor for water exploitation in Indonesia.¹¹ The central government, through the regional government, delegated authority to the regional government to manage this clean water in a Regional Owned Enterprise (BUMD) known as Municipal Waterworks (PDAM).¹² However, its implementation is delegated to the Regional Government rather than being handled directly by the Central Government. This is based on Article 18 A of the 1945 Constitution of the Republic of Indonesia; regional autonomy. The government can establish a Regional Owned Enterprise (BUMD) to carry out regional autonomy, which is a business entity whose capital is partially or entirely owned by the region.¹³

The water as a source of life, put the water regulation in the constitution of the Republic of Indonesia, as stated in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, "Earth and Water and the natural resources contained therein are controlled by the state and used for the people greatest prosperity".¹⁴ Article 1 No. 21, Law No. 17 of 2019;

⁸ Fadma Yulianti dan Rofiqah Wahdah, *Analisis Indeks Kepuasan Masyarakat (IkM) Dan Kualitas Pelayanan Publik (Studi Pada Pdam Bandarmasih Di Banjarmasin)*, Jurnal Ecoment Global, Volume 3 Nomor 2, Sekolah Tinggi Ilmu Ekonomi Indonesia, Banjarmasin, 2018, p. 85.

⁹ Asep Nurwanda, *Analisis Strategi Terhadap Peningkatan Kepuasan Studi Analisis Di Bumd (Pdam) Tirta Anom Kota Banjar Patroman*, Jurnal Moderat, Volume 5 Nomor 2, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Galuh, Ciamis, 2019, p. 113-114.

¹⁰ Edi Yanto, *Perlindungan Hukum Bagi Konsumen PDAM Atas Penetapan Tarif Dalam Kontrak Baku*, Jurnal JIME, Volume 3 Nomor 1, Fakultas Hukum, Universitas Muhammadiyah Mataram, Nusa Tenggara Barat, 2017, p. 279.

¹¹ Ajeng Famela, Achmad Jaka Santos Adiwijaya dan Agus Surachman, *Model Pengelolaan Pendayagunaan Sumber Daya Air Pada Usaha Air Minum Dalam Kemasan (AMDK) Di Indonesia*, Jurnal Living Law, Volume 12, Nomor 2, Universitas Djuanda Bogor, 2020, p. 123.

¹² *Ibid.*, p. 4139.

¹³ Adinda Yustika Maulida, Suratman dan Diyan Isnaeni, *Loc.Cit.*

¹⁴ Ajeng Famela, Achmad Jaka Santos Adiwijaya dan Agus Surachman, *Loc.Cit.*, p. 123.

Water Resources (UU SDA) defines water resource management officers as institutions that the central government or local government has assigned to manage water resources, referring to statutory provisions.¹⁵ PDAM is an embodiment of mandatory government affairs for the Regional Government; fulfilling drinking water needs. As stated in Article 36 paragraph (2), Government Regulation No. 122 of 2015, Drinking Water Supply Systems, which reads, " to Implement drinking water supply systems, State-Owned Enterprises or Regional-Owned Enterprises are formed by the Central Government or Regional Government in accordance with their authority". Thus, PDAM (Municipal Waterworks) is an extension of the Regional Government, responsible for implementing mandatory concurrent regional government affairs, such as managing and developing drinking water supply systems in the regions.¹⁶

The term *wewenang* (authority) can be replaced with *kewenangan* (authority), according to Philipus M Hadjon. In Dutch, the two terms are frequently used interchangeably with *bevoegheid*. However, *bevoegheid* is used in both public and private law, whereas *wewenang* and *kewenangan* are only used in public law.¹⁷ Philipus M Hadjon added that authority norms can be obtained through attribution, delegation, and mandate.¹⁸

The former (attribution), according to government administration Law No. 30 of 2014, is authority granted to government agencies and/or officials by the 1945 Constitution of the Republic of Indonesia or by law. Attribution authority may not be delegated unless authorized by the Republic of Indonesia's 1945 Constitution. The middle (delegation) is authority transferred from a higher government agency and/or official to a lower government agency or official, whose responsibility and accountability are fully transferred to the recipient then confirmed through government regulations; Presidential Decree (KEPRES) and/or Regional Regulation (PERDA) is the previously existing delegation of authority.¹⁹ Meanwhile, the latter (Mandate) is the delegation of authority from a higher-level government agency and/or official to a lower-level government agency and/or official (*mandataris*), with responsibility and accountability remaining with the mandate giver.²⁰

Indra Hadi Subrata stated that the Regional Head delegated authority to the PDAM in Kuningan Regency as the Head of Capital Owner (KPM). This indicates that the responsibility for ensuring the fulfillment of Kuningan District's clean water needs has shifted to the Kuningan District PDAM.²¹ This refers to Article 13 paragraphs (1) and (2); Kuningan Regency Regional Regulation No 12 of 2019; municipal waterworks (PDAM), which reads (1) The head of Capital Owner as Regional Head as owner of capital in Kuningan Regency PDAM has the authority to make decisions. (2) The decision-making authority as referred to in paragraph 1 can be delegated to regional apparatus officials. Meanwhile, Article 4 paragraph (4); Government Regulation No. 54 of 2017; Regional Owned Enterprises, the legal status of a Regional Public Company is obtained when the Regional Regulation governing the establishment of a Regional Public Company (Perumda) takes effect. Regionally Owned Enterprises, a Regional Public Company (Perumda), is a Regionally Owned Enterprise whose

¹⁵ Dian Maryati, *Loc.Cit*, p. 4

¹⁶ Arib Setiawan, *Loc.Cit*, p. 887

¹⁷ Ali Marwan Hsb dan Evlyn Martha Julianthy, *Loc.Cit*, p. 3.

¹⁸ Abdul Haris Hamid, *Loc.Cit*, p. 33.

¹⁹ Moh Gandara, *Kewenangan Atribusi, Delegasi, Dan Mandat*, Jurnal Khazanah Hukum, Volume 2 Nomor 3, Kementerian Agama Kabupaten Purwakarta, Purwakarta, 2020, p. 94

²⁰ *Ibid*, p. 95.

²¹ Hasil Wawancara dengan Bapak Indra Hadi Subrata sebagai Sekretariat Perusahaan Umum Daerah Air Minum Kabupaten Kuningan, 18 April 2022, Pukul 11.20 WIB.

capital is entirely owned by one region and is not divided into shares, according to Article 5 paragraph (1) of Government Regulation No. 54 of 2017. Thus, a Regional Public Company (Perumda) can only be owned by one region, according to the characteristics of Regional Owned Enterprises in Article 6 of Government Regulation No 54 of 2017. The regional head represents the regional government in the ownership of separate regional assets, also known as the Head of Capital Owner (KPM), who is the capital owner.²²

According to Kuningan Regency Regional Regulation Number 12 of 2019, PDAM in Kuningan Regency aims to strengthen Regional Owned Enterprises' role and function, such as guaranteeing people's right (access to drinking water or clean water), encouraging economic growth, exploring and increasing the potential of regional original income, all with the goal of improving people's welfare.

In Kuningan Regency, PDAM services and activities are regulated in Article 4 paragraph (1); Regional Regulation No. 2 of 2021, which includes drinking water or clean water services, water delivery tanks or raw water, public hydrant services, fire hydrant services, supplying bottled drinking water, others that do not violate laws and regulations.

Kuningan Regency consists of 32 sub-districts and referring to the data obtained in this study, PDAM in Kuningan Regency, only has 12 branch offices or units (responsible for clean water service), and has 18 springs, implying that distribution is not completely even. According to reports, a number of sub-districts in Kuningan Regency are vulnerable to clean water crises, particularly during the dry season. In fact, several villages face a clean water shortage every year. Every year, a number of districts, including Karangancana, Cibereum, and Cibingbin, face a water shortage, according to the PDAM of Kuningan Regency.²³ The clean water crisis affects more than just rural residents. Around 1,000 residents of the Alam Asri Kasturi Housing Complex, located near the city of Kuningan, have suffered a similar case²⁴ Based on the results of an interview with Vera Pujawati, a resident of Alam Asri Housing, a PDAM customer of the Kuningan Regency who has experienced a clean water crisis, explained that the clean water crisis occurred in 2020 for 7 months, making it difficult for residents to access clean water.²⁵

An interview with Indra Hadi Subrata, the secretariat of PDAM in Kuningan Regency, explained a clean water crisis is caused by a long dry season and a lack of water infiltration. To demonstrate their accountability, they offer tanker services with a capacity of 4000 liters. This is done to meet the needs of both customers and affected communities for clean water. In addition, as a form of customer compensation, tank car services are not subject to shipping costs. The services are provided not only to PDAM customers, but also to non-customers, such as those in the eastern Kuningan region who are experiencing a clean water crisis as a result of the long dry season, on the order of the regional head, the Head of Capital Owner (KPM).²⁶

²² Ma Clarissa Dewi, *Loc.Cit.*, p. 45

²³ Wisnu Yusep, *Krisis Air Bersih Ancam Sejumlah Wilayah Di Kuningan, Perumda Mulai Antisipasi*, <https://jabar.inews.id/berita/krisis-air-bersih-ancam-sejumlah-wilayah-di-kuningan-perumda-mulai-antisipasi>, Diakses pada tanggal 4 Juni 2022, Pukul 13.27 WIB.

²⁴ Dialogpublik, *7 Kecamatan Di Kabupaten Kuningan Rawan Air Bersih*, <https://dialogpublik.com/7-kecamatan-di-kab-kuningan-rawan-air-bersih/>, Diakses Pada Tanggal 04 Juni 2022 Pukul 13.31 WIB

²⁵ Hasil Wawancara dengan Vera Pujawati sebagai Warga di Perumahan Alam Asri Kabupaten Kuningan, 4 Juni 2022, Pukul 10.00 WIB.

²⁶ Hasil Wawancara dengan Bapak Indra Hadi Subrata sebagai Sekretariat Perusahaan Umum Daerah Air Minum Kabupaten Kuningan, 18 April 2022, Pukul 11.20 WIB.

According to Vera Pujawati, a community member or affected customer, Alam Asri Housing received tanker service from PDAM twice a day, in the morning and evening. We only pay for subscription fees because the service is free of charge and fee waivers.²⁷

Indra Hadi Subrata, the PDAM Secretariat in Kuningan Regency, added that in addition, we are looking for a new water source in Cibangir, which is the Cipari area in Cigugur District. This is solely for the purpose of meeting the demand for clean water in Alam Asri Housing, Kuningan Regency. East Kuningan, on the other hand, particularly Cibingbin District, is prone to drought. According to Aan Suanda, a resident of the Cibingbin area, the Cibingbin spring has not been able to solve the area's water crisis. This is due to the low water discharge rate of 6 liters per second. The same is true for 4,000 liter tanker services; supply is so limited that people must queue.²⁸

The PDAM has made an extra effort in guarding and maintaining the springs in Kuningan Regency, such as replanting tree species program as a source of underground water storage.²⁹ Refer to Article 15 letter b of Kuningan Regency No. 2 of 2021 (Basic Provisions for PDAM Service), which states the compensation for inadequate drinking water service to customers.

Meanwhile, the tanker services (clean water crisis), refers to Article 10 paragraph (1) letters a and c; Kuningan Regency Regional Regulation No. 2 of 2021, which explains that PDAM tanker services are used for a) Customers who do not have access to water distribution due to damage, lack of discharge, or other disturbances that result non-optimal services, the shipping costs are not charged; and letter c) the community or non-customers; for social or assistance purpose.

Providing tanker service assistance to affected communities (clean water crisis) means that PDAM has supported government programs; social care activities, which is also in line with Article 14; Kuningan Regency Regional Regulation No. 2 of 2021; PDAM's Fundamental Provisions.

According to Kuningan Regency Regional Regulation, Article 14 letters d and e, No. 2 of 2021, PDAM provides a 24-hour complaint service facility, receives and follows up on any customer complaint about poor service provided. Referring to the findings, PDAM in Kuningan District has always accepted and followed up on customers or public complaints.

Meanwhile, public works and spatial planning are mentioned in Article 12 paragraph (1) letter c; Law No. 23 of 2014 concerning Regional Government, mandatory government affairs related to basic services.³⁰ Municipal waterworks collaborate with the Public Works and Spatial Planning Office to meet Kuningan Regency's clean water or drinking water needs. The Department of Public Works and Spatial Planning is on copyright works, the drinking water section, in this case. This is expanded on in Article 15 paragraph (1); Regent Regulation No. 59 of 2019 (the Position, Organizational Structure, Main Tasks, Functions, Job Descriptions, and Working Procedures), which states that the section is responsible for developing, managing, maintaining, and supervising drinking water. Meanwhile, Article 15 paragraph (3); Regent Regulation No. 59 of 2019, explains that to carry out the main tasks outlined in Article 15 paragraph (1), the drinking water section has the following job descriptions:

²⁷ Hasil Wawancara dengan Vera Pujawati sebagai Warga di Perumahan Alam Asri Kabupaten Kuningan, 4 Juni 2022, Pukul 10.10 WIB.

²⁸ Hasil Wawancara dengan Aan Suanda sebagai Warga Desa Cikondang Kecamatan Cibingbin Kabupaten Kuningan, 8 Juni 2022, Pukul 11.23 WIB.

²⁹ Wisnu Yusep, *Krisis Air Bersih Ancam Sejumlah Wilayah Di Kuningan, Perumda Mulai Antisipasi*, <https://jabar.inews.id/berita/krisis-air-bersih-ancam-sejumlah-wilayah-di-kuningan-perumda-mulai-antisipasi>, Diakses pada tanggal 4 Juni 2022, Pukul 13.27 WIB.

³⁰ Suwari Akhmadhian, *Loc. Cit.*, p. 33

1. Create plans and work schedules for the drinking water section;
2. Provide technical advice, planning, counseling, and management (infrastructure and facility development) to drinking water management units, municipal waterworks (PDAMs), and/or third parties;
3. Plan, build, maintain, and manage drinking water infrastructure and facilities;
4. Control, monitor, and evaluate the construction and upkeep of drinking water infrastructure and facilities;
5. Make and submit tasks implementation result to the head of the copyright field; and
6. Perform any other official duties assigned by the head of the copyright field.

Didi Rosadi stated that the drinking water section in Kuningan District is working with PDAM. Thus, the drinking water sector is divided into two parts: rural and urban. The water management group manages clean water management in rural areas, while PDAM manages it in urban areas. In terms of technical matters, the Department of Public Works and Spatial Planning is interconnected with PDAM; for example, PDAM in Kuningan district requires a service network (branches) in the Cidahu area because it has not yet been built; however, the springs are there, and an estimation cost development is required. Accordingly, the PDAM must coordinate with the Public Works and Spatial Planning, building network of Perumda (Public Municipal waterworks) that will be forwarded to the Regional Development Planning Agency.³¹

Meanwhile, the drinking water section includes institutional planning and development, as well as a work program; dealing with drinking water problems; and meeting rural and urban drinking water needs. However, there are some issues with its implementation, such as a lack of human resources, insufficient funds, and difficult-to-find springs. Municipal waterworks in Kuningan Regency is fully responsible for clean water management and accountability. This is because the Public Works and Spatial Planning Office only provides technical advice in this matter.³² According to Lawrence Meir Friedman's theory of the legal system, the effectiveness and success of law enforcement are determined by three factors: the structure of the law, the substance of the law, and legal culture. The legal structure is concerned with law enforcement officials, the legal substance is comprised of statutory instruments, and the legal culture is a living law that is followed in a society.³³

If the elements of the legal system are related to this research, they are as follows, according to Lawrence M Friedman's theory of the legal system:

1. Structure of the law includes law enforcement officials, the PDAM and the department of Public Works and Spatial Planning Office in Kuningan Regency. They are interrelated in terms of management and technical guidance in relation to clean-water fulfillment. PDAM is a Regionally Owned Company that provides drinking water or clean water services. There are only 12 branches or units out of 32 sub-districts, and there are 18 water springs. The analysis result was suboptimal because infrastructure facilities, such as tank cars, remained insufficient. Water supply to remote areas during droughts is thus hampered.

³¹ Hasil Wawancara dengan Bapak Didi Rosadi sebagai Sub Koordinator Seksi Air Minum Bidang Cipta Karya Dinas Pekerjaan Umum dan Tata Ruang Kabupaten Kuningan, 26 April 2022, Pukul 10.13 WIB.

³² Hasil Wawancara dengan Bapak Didi Rosadi sebagai Sub Koordinator Seksi Air Minum Bidang Cipta Karya Dinas Pekerjaan Umum dan Tata Ruang Kabupaten Kuningan, 26 April 2022, Pukul 10.34 WIB.

³³ Lindra Daernela, *Loc.Cit.*

2. Legal Substance, in this study, are the 1945 Constitution of the Republic of Indonesia, Law No. 8 of 1999 (Consumer Protection), Law No. 25 of 2009 (Public Services), Law No. 23 of 2014 (Government Regions), Law No. 30 of 2014 (Government Administration), Law No. 17 of 2019 (Water Resources), Government Regulation No 122 of 2015 (Drinking Water Supply Systems) and No. 54 of 2017 (Regional Owned Enterprises), Kuningan Regency regional regulation No. 12 of 2019 (public municipal waterworks), and No. 2 of 2021 (Basic Service Provisions for PDAM)
3. Legal culture, the community recognizes their rights to obtain clean water. The State has guaranteed this right in a written regulation. The PDAM in Kuningan Regency has made efforts to overcome the clean water crisis caused by the drought. They do, however, face challenges as a result of regional differences. They have inequitable access to clean water, and several areas are in crisis. This undermines the welfare of the people's right to water.

Meanwhile, Chapter V Article 74 of Law No 40 of 2007 concerning Limited Liability Companies (UUPT) regulates Social and Environmental Responsibility, which requires companies carrying out business activities in the field of and/or related to natural resources, the environment.

According to UUPT (limited liability company) Article 74 paragraph (1), there are 2 (two) activity sector criteria that require companies to practice CSR, which are as follows:

1. Companies that specialize in natural resources. It refers to a company whose primary business is the management and utilization of natural resources.
2. Natural resource-related companies. It refers to companies that do not manage or use natural resources, but whose business activities have an impact on their ability to do so.

Article 74 UUPT provisions aim to create harmonious, balanced, and compatible Company relations with the environment, values, norms, and culture of the local community. This is a Company obligation that is budgeted for and calculated as a Company cost, and it is carried out with decency and fairness.

Corporate Social Responsibility (CSR), according to Article 1 Number 3 UUPT No. 40 of 2007, is the company's commitment to participate in sustainable economic development to improve the quality of life and the environment that benefits the company, the local community, and society in general.

A Limited Liability Company that causes environmental damage as a result of its operations is obligated to compensate those affected by the environmental damage. This has been regulated in Article 34 of Law No. 23 of 1997 (Environmental Management). The level of responsibility is determined by absolute liability. In this context, absolute liability means that the entity is completely responsible for the losses it causes, with the obligation to pay compensation directly and immediately when pollution and/or damage to the environment occurs. According to Law No. 32 of 2009, article 1 paragraph (2), environmental protection and management (PPLH) is a systematic and integrated approach to preserving environmental functions and preventing environmental pollution and/or damage, which includes planning, utilization, control, maintenance, supervision, and law enforcement.

A company's decision should not only be based on financial factors (profits), but also on the short and long term social consequences. If the company fails to meet its obligations, sanctions will be imposed in accordance with the provisions of the legislation. This provision is further governed by Government Regulation No. 47 of 2012, Limited Liability Company Social and Environmental Responsibility. Meanwhile, CSR regulations are outlined in Law No.

25 of 2007 (Investment). Investors must pay attention to the environment and surrounding communities in order to maintain environmental sustainability. Articles 15 and 16 require all investors to practice corporate social responsibility and maintain environmental sustainability. With this rule, CSR is no longer a moral obligation, but rather a legal requirement when investing. If this is not done, there will be legal consequences as outlined in Article 34 of the Investment Law. Individual businesses or business entities that fail to meet these obligations may face administrative sanctions as well as other penalties under statutory provisions.

Conclusion

Finally, clean water has not been distributed evenly throughout Kuningan Regency. Despite this, the PDAM (Municipal Waterworks) has implemented corporate social responsibility initiatives aimed at addressing the clean water crisis, such as providing tanker car services, compensation (cost reductions), and service complaints facilities. Furthermore, they obtain new springs and maintain springs in Kuningan Regency through a tree species replanting program as a source of underground water storage. On contrary, Corporate social responsibility is a form of policy and activities carried out by every organization or business entity in contributing to society and the environment, as well as being one of the sustainable aspects of the company's business. The corporate social responsibility program is expected to provide long-term benefits to all stakeholders, management, employees, government, and the local community.

Suggestion

Water resources determine people's well-being, so clean water crisis management should be prioritized. There is also a need for authority realignment, particularly at the central and regional levels of water resource management. As a result, the plan for synchronizing water resource management programs can be implemented effectively and efficiently, in accordance with the predetermined objectives. Furthermore, a continued collaboration with the private sector is expected to accelerate regional development, particularly in terms of community infrastructure such as clean water management, which is the most critical sector for people's lives. Finally, there is a need for collaboration and coordination, as well as cross-sectoral supervision, to support the agreement's continuation.

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