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Exploring Paradiplomacy Pathways: Local Government and Foreign Direct Investment Corporation Partnerships for Sustainable Development

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The present article delineates the collaboration between the Government of East Luwu Regency (Local Government) and PT. Vale Indonesia, Tbk, (Corporation) as a case in point of executing paradiplomacy to achieve sustainable development objectives. The findings of the qualitative research reveal that PT. Vale Indonesia, Tbk., has made a noteworthy contribution to the growth of the local economy and the development of infrastructure through its strategic partnership. Meanwhile, the government of East Luwu Regency has ensured adherence to the principles of sustainable development. The present investigation also highlights the primary obstacles encountered in the execution of paradiplomacy, such as ensuring a fair allocation of advantages and involving the community in the decision-making procedures. The present study substantiates the significance of paradiplomacy as a tactical instrument for attaining sustainable development and highlights the possibility of collaboration between subnational governments and transnational corporations in accomplishing this objective.

Menjelajahi Jalur Paradiplomasi: Kemitraan Pemerintah Daerah Dan Perusahaan Penanaman Modal Asing Untuk Pembangunan Berkelanjutan

Abstract

Artikel ini menggambarkan kerjasama antara Pemerintah Kabupaten Luwu Timur (Pemerintah Daerah) dan PT. Vale Indonesia, Tbk, (Korporasi) sebagai contoh pelaksanaan paradiplomasi untuk mencapai tujuan pembangunan berkelanjutan. Temuan penelitian kualitatif mengungkapkan bahwa PT. Vale Indonesia, Tbk, telah memberikan kontribusi penting bagi pertumbuhan ekonomi lokal dan pembangunan infrastruktur melalui kemitraan strategisnya. Sementara itu, Pemerintah Kabupaten Luwu Timur memastikan penerapan prinsip pembangunan berkelanjutan. Investigasi ini juga menyoroti hambatan utama yang dihadapi dalam pelaksanaan paradiplomasi, seperti memastikan pembagian keuntungan yang adil dan melibatkan masyarakat dalam prosedur pengambilan keputusan. Studi ini membuktikan pentingnya paradiplomasi sebagai instrumen taktis untuk mencapai pembangunan berkelanjutan dan menyoroti kemungkinan kolaborasi antara pemerintah subnasional dan perusahaan transnasional dalam mencapai tujuan ini.

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INTRODUCTION

The significance of local government participation in more collaborations is on the rise due to the escalation of globalisation and economic liberalization (Warm, 2011; Benton, 2013). This phenomenon has led to an expansion of opportunities for foreign direct investment (FDI) in local and regional economic growth. The notion of sustainable development has garnered substantial traction in contemporary times and is centred on the objective of fulfilling the requirements of the current generation while safeguarding the potential of forthcoming generations to fulfil their own needs (Mensah, 2019; Shi et al., 2019). Within this particular context, foreign direct investment (FDI) can potentially serve as a significant contributor towards the attainment of sustainable development objectives by countries and regions. Foreign direct investment (FDI) frequently yields economic advantages, including the generation of employment opportunities, augmented income levels, and the promotion of economic expansion (Harakan, 2020). Nonetheless, it is imperative to consider the potential adverse consequences, such as ecological degradation or financial disparity, in light of the favourable outcomes.

Table 1. Strategic Issues of Partnership Between Local Governments and Foreign Direct Investment (FDI) for Sustainable Development

Focus Area	The Role of Local Government	Potential Cooperation with FDI	Expected results
Infrastructure development	Planners and regulators	Investment in infrastructure projects	Better and more sustainable infrastructure
Job creation	Facilitator and mediator	Opening new job opportunities	Increased levels of employment and welfare
Environmental protection	Supervisors and law enforcement	Implementation of environmentally friendly practises	Environmental protection and sustainable development

Local economic development	Planner and facilitator	Invest in local businesses	Increasing local economic growth
Improved quality of life	Service providers and planners	Investments in health and education services	Improved quality of life and sustainable development

The utilisation of foreign direct investment (FDI) for sustainable development is contingent upon the crucial involvement of local governments. Local governments possess favourable proximity to the communities they serve, thereby enabling them to acquire a comprehensive comprehension of the local challenges and opportunities. This unique position also empowers them to act as intermediaries between foreign investors and the local community, thereby facilitating the harmonisation of their respective interests. Nonetheless, the academic and public policy literature frequently disregards and inadequately comprehends their involvement in FDI partnerships.

The involvement of local governments in this partnership has become increasingly important in light of the growing globalisation and liberalisation of the economy, which provide greater opportunities for FDI in the development of local and regional economies.

The concept of sustainable development has gained significant momentum in recent decades and is associated with meeting the needs of the present generation without compromising the ability of future generations to meet their own needs. In this context, foreign direct investment (FDI) can play a crucial role in assisting countries and regions to achieve their sustainable development goals (Aust, Morais and Pinto, 2020). Foreign direct investment (FDI) frequently yields economic benefits such as job creation, income enhancement, and economic growth. However, these positive effects must be considered in conjunction with the potential negative impacts, such as environmental damage or economic inequality.

The local government plays a critical role in harnessing the benefits of FDI for sustainable development. Due to their proximity to the local community, local governments possess a comprehensive understanding of the local challenges and opportunities and are capable of bridging the gap between the interests of foreign

investors and those of the local community. However, their role in FDI partnerships is still not well understood and is often overlooked in academic literature and public policy.

During the New Order era, the central government's concentration of functions, policies, and development resulted in inflexible and formalised connections between the centre and the regions (Jati, 2016). The centralistic model prioritises regions that are deemed strategically significant and politically proximate to the capital city (Jati, 2016).

The implementation of decentralised governance following the rolling reforms presents a distinct scenario, particularly with regards to regional government administration (Fathun, 2016; Harakan, 2018). The legal framework pertaining to this matter can be traced back to MPR RI Decree Number XV/MPR 1998, followed by the enactment of Law No. 22 of 1999 concerning regional government. Subsequently, MPR RI Decree Number IV/MPR/2000 was introduced, and a revision of Law No. 22 of 1999 was enacted, leading to the formation of Law Number 32 of 2004.

The process of decentralisation necessitates the incorporation of the most recent modifications from Law Number 23 of 2014 to Law No. 9 of 2015, which pertains to the Second Amendment of Law Number 23 of 2014 that concerns regional government. The prescribed legal provisions afford an occasion for government actors at the local level to revise their obligations and responsibilities, restructure policies, and establish robust networks to achieve sustainable development. The adaptability of the regional government in executing governance is closely linked with flexible internationalisation practises (Utomo, 2022). The duo has devised multiple tools and methodologies to establish and enhance networks and collaborative frameworks that are both efficacious and impactful in promoting regional development (Utomo, 2020).

The emergence of modern diplomacy is attributed to this phenomenon, which has resulted in a more adaptable approach and the involvement of diverse diplomatic actors, including local governments (Jönsson, 2018). The unique geographical location of Indonesia, characterised by a vast expanse of islands and seas, presents a formidable obstacle for the government in its quest to achieve an equitable distribution of development and social welfare across all sectors and regions, particularly in the face of intense competition for development resources (Fathun, 2016).

The implementation of a rolling decentralisation policy is purported to be a viable and efficacious approach towards promoting equitable development across various regions, including East Luwu Regency. The district's advantageous natural resources of nickel exhibit a complex web of interconnections between the local government and multinational corporations, ultimately leading to the establishment of foreign investment entities such as PT. Vale Indonesia, Tbk.

The presence of PT. Vale Indonesia, Tbk., has not solely yielded beneficial outcomes for the district's advancement. The corporation regularly devises and executes initiatives aimed at enhancing the capacity of rural communities. The development and execution of programme plans are conducted in partnership with both the local government and the community.

The concept of paradiplomacy encompasses the policy of decentralisation, events that transpired in East Luwu Regency, and the emergence of new actors in the interactions between government and government, government and business, and government and society, all within the context of international relations and governance studies. The concept of paradiplomacy is a nascent phenomenon in the realm of government and international relations.

Paradiplomacy pertains to the authorised and legitimate conduct of foreign relations by subnational entities, specifically local governments, within the framework of their regulated special interests (Novialdi and Rassanjani, 2020). The present matter pertains to the promotion of paradiplomacy, which has fostered regional initiatives to facilitate the engagement of actors in global interactions (Mukti, 2013a). The aforementioned scenario presents prospects for municipal administrations to establish strategic partnerships with corporate entities to achieve sustainable development objectives.

The primary objective of this article is to elucidate and analyse the role of local government in FDI partnerships for sustainable development. This article aims to address the question of how local governments can partner with FDI companies to promote sustainable development, the challenges faced by local governments in such partnerships, and how these challenges can be overcome.

To achieve this objective, this article will employ a case study and data analysis to investigate how local governments in various countries and contexts have collaborated with FDI in sustainable development efforts. Through this approach, the article aims to provide a deeper insight into this topic and assist in informing future policies and practises.

The collaboration between local governments and foreign direct investment (FDI) holds significant potential for achieving sustainable development goals. However, in order to maximise the benefits of this partnership, it is necessary to further comprehend and acknowledge the role of local government in this endeavour. Thus, this article contributes to this understanding and offers important insights for future research and practice.

RESEARCH METHODS

The present study was conducted at various locations, including the Government Office of East Luwu Regency, the Office of the Community and Village Empowerment Office of East Luwu Regency, and the Office of PT. Vale Indonesia, Tbk. The research was conducted during the government benchmarking implementation in June 2022 by the Department of Government Studies at Universitas Muhammadiyah Makassar, Indonesia.

The study was conducted at the East Luwu Regency Government Office, the Community and Village Empowerment Service Office of East Luwu Regency, and the PT. Vale Indonesia, Tbk. This decision was made based on the requirement for contemporary and high-quality advancements in comprehending the interconnections among local governments and corporation within the context of paradiplomacy.

The process of selecting informants was conducted using purposive sampling methodology, which involved identifying key individuals and determining the group of participants who met the criteria relevant to the research problem (Bungin, 2007). The Head of the Community and Village Empowerment Office of East Luwu Regency, as well as representatives of PT Vale Indonesia Tbk, were directly interviewed by the researchers.

The present study, which focuses on the concept of paradiplomacy, employs a qualitative research methodology to examine the interplay between local governments and corporations. According to Creswell (2012), qualitative research entails the

examination and comprehension of the significance of societal issues. This study employs various techniques for collecting data and information, including observations, interviews, and documentation. The research methodology employed in this study is participant observation. In this study, researchers are actively engaged in the programme under investigation to ensure the acquisition of comprehensive and precise data. Additionally, the researchers conduct focused observations, which are highly specific and pertain to the formulation of the research problem or theme. Specifically, the focus of observation in this study is service innovation in the public sector (Basrowi and Suwandi, 2008).

The research methodology employed involved conducting semi-structured in-depth interviews to explore and uncover latent issues (Sugiyono, 2016). In addition to eliciting information through inquiry, as guided by research objectives (Mulyana, 2010).

The utilisation of documents can be incorporated in conjunction with participatory observation and in-depth interviews. The aforementioned documents possess the potential to unveil the subject's self-definition, situational context, and environmental perception at a specific point in time. Additionally, they can shed light on the interplay between these definitions and the subject's conduct towards those in his immediate surroundings (Mulyana, 2010).

The process of examining data is commonly known as data analysis, as described by Miles and Huberman (2007). This process involves several stages, including data collection, data reduction, display, and drawing conclusions or verification. Furthermore, the research team intends to conduct a restricted Focus Group Discussion with scholars and specialists to deliberate on the data gathered for the purpose of drawing conclusions.

RESULT AND DISCUSSION

During the contemporary era, the prevailing circumstance that has come to characterise diverse interactions within the global community subsequent to the Westphalian system has become increasingly inclusive, encompassing participation from various entities at the state and sub-state, institutional, and individual levels (Chatterji and Saha, 2017). The field of international relations does not inherently undermine a nation's fundamental principles of sovereignty. Rather, it necessitates the

establishment of guidelines for the allocation of shared sovereignty within the confines of constitutional boundaries (Mukti et al., 2021).

The aforementioned phenomenon pertains to a regional initiative within a fiercely competitive global arena aimed at enhancing competitiveness not only at the national level but also at the district, city, and provincial levels (Dubrovina and Salamov, 2019).

Recent scholarship shows that paradiplomacy has become a modern conceptualization within the field of international relations and governance studies. The concept of "paradiplomacy" was first introduced in the 1980s by Panayotis Soldatos, a scholar hailing from Baque. The term "paradiplomacy" is a combination of the words "parallel diplomacy" and refers to the phenomenon of subnational entities engaging in international relations and diplomacy. Boyer, Aldecoa, and Keating have defined the term as denoting the foreign policy of a non-central government. Duchacek has gained recognition for introducing the term 'micro-diplomacy' into the lexicon of international relations (Crikemans, 2008).

Scholars have emphasised that paradiplomacy serves as a means of empowering local governments in the realm of foreign cooperation, particularly in the context of globalisation and democracy. This is a crucial and indispensable aspect of the adoption of the concept of multitrack diplomacy within the field of international relations (Damayanti, 2012). On the contrary, it can be argued that the architecture of paradiplomacy in Indonesia is characterised by administrative, procedural, and technical aspects that have hindered the expeditious implementation of paradiplomacy practises by local governments. This has consequently impeded the attainment of regional and national interests. Paradiplomacy scheme can facilitate the comprehension of the establishment of sub-national entities, namely local governments, which are grounded on theoretical frameworks, legal frameworks, and customary norms (Surwandono and Maksum, 2020).

The concept of paradiplomacy has been expounded upon by academician Duchacek, who has identified three distinct types of paradiplomacy (Jatmika, 2001). The initial category pertains to cross-border paradiplomacy, which encompasses formal, institutional, and informal interactions conducted by subnational governments that are distinct from their respective countries yet share natural geographic

boundaries. The aforementioned phenomenon is facilitated by the presence of cultural and affective linkages among historical events, individual traits, and societal norms. The second category pertains to transregional paradiplomacy, which refers to diplomatic interactions conducted by subnational governments of distinct nations that lack direct territorial adjacency. Presently, both subnational governments are situated within the same geographical area of the nation. The third category, known as global paradiplomacy, pertains to subnational governments that engage in diplomatic relations with other regions and countries across the globe (Jatmika, 2001).

Table 2. Paradiplomacy Aspects in Networking Opportunities

Paradiplomacy Aspects	Description	Action
Economy	Subnational governments promote economic relations with outsiders	Local governments promote trade relations with local governments in other countries
Environment	Subnational governments cooperate on global environmental issues	Local government shares best practises for handling climate change
Sustainable development	Subnational governments cooperate on issues of sustainable development	Local government shares best practises in sustainable development
Culture	Subnational governments promote local culture beyond national boundaries	The local government holds a cultural festival that is attended by citizens of other countries
Education	Subnational governments cooperate in the field of education	Universities in different cities sign student exchange agreements
Inter-City Relations	The sub-national government fosters relationships with other cities	Sister city programme that promotes cultural and economic exchange

The examination of the interplay among the government, corporations, and community is undeniably intertwined with the notion of capital as a fundamental requirement for fostering community empowerment and ensuring sustainable development within the locality. Capital can be acquired through various means, including investment from external sources such as foreign investment schemes (Rugman, Lecraw and Booth, 1985). Collaboration with corporations is of paramount importance for the advancement of development. This fundamental concept is essential to comprehend when seeking to understand investment in the context of development. The untapped potential for economic power across the nation can be harnessed to create a formidable force in the economic arena. The limited availability of financial resources, inadequate human resource expertise, and insufficient technological infrastructure present significant obstacles that hinder the optimal utilisation of economic strengths, both potential and actual (Lindblad, 2015).

The pressing significance of capital in relation to the logic of enhancing communal capacities and both physical and social infrastructure necessitates that regional authorities exhibit ingenuity in constructing collaborative networks. The notion of paradiplomacy promotes the idea that governments should not limit their focus and actions to local affairs. In light of the significant developments in cooperation in the present era, local governments are encouraged to adopt a global perspective in their thinking and actions (Harakan, 2020). The facilitation, planning, and implementation of a paradiplomacy framework to enable cooperation necessitate the active involvement of local governments and the provision of a significant role (Mukti, 2013b; Surwandono, 2019).

Local governments, possessing a comprehensive understanding of the particular circumstances and requirements of their respective communities, serve as proficient enablers (Canfei, 2006). They function as mediators among foreign direct investment (FDI) firms, indigenous communities, and non-governmental organisations (NGOs), thereby facilitating communication and comprehension among diverse stakeholders. Furthermore, the local government serves as an intermediary in the resolution of disputes that may arise among different entities, guaranteeing that the concerns and requirements of all parties are taken into account and satisfied (Dziemianowicz, Łukomska and Ambroziak, 2019).

Local governments assume a pivotal role as planners in determining the integration of foreign direct investment (FDI) into wider local and regional development strategies. Investment planners aim to optimise the utilisation of investments to foster economic growth and social development while taking environmental ramifications into account and attaining sustainable development objectives (Chen, Chen and Ku, 2004).

In addition, local governments bear the responsibility of ensuring that foreign direct investment (FDI) enterprises adhere to pertinent local laws and regulations, as they serve as the executors of such mandates (Scott-Kennel, 2007). The objective is to ensure that the local communities receive the economic benefits that foreign direct investment (FDI) provides, such as job creation and increased income, and that these benefits are not concentrated in the hands of a limited number of individuals or companies.

Notwithstanding the importance of local government in steering foreign direct investment towards a more sustainable trajectory, this investigation also underscores several extant obstacles. One of the constraints faced by the local government is the restricted capacity and resources at their disposal. Numerous local administrations lack the essential knowledge or proficiency to establish effective partnerships with foreign direct investment (FDI) enterprises. Furthermore, frequently, they lack the essential economic and personnel assets to effectively administer and supervise such initiatives.

Inadequate governance and coordination represent a significant challenge (Peters, 2018). Consistent with our findings, there was a notable degree of ambiguity regarding the allocation of responsibilities, coupled with insufficient intergovernmental coordination in numerous instances. This phenomenon has the potential to impede endeavours towards sustainable development and foster prospects for malfeasance and misconduct (Rifaid et al., 2023).

Notwithstanding the considerable obstacles, this investigation also demonstrates the considerable promise for municipal administrations and foreign direct investment collaborators in realising sustainable development objectives. Enhanced capacity and expertise, coupled with advancements in governance and coordination, enable local authorities to assume a pivotal function in steering FDI

towards sustainable development. To sum up, it is possible for local governments to utilise foreign direct investment (FDI) as a means of achieving sustainable development. However, in order to accomplish this, they must possess sufficient knowledge, resources, and assistance.

The significance of sustainability within the framework of development and collaboration between the private sector and local government constitute pivotal elements in devising and executing sustainable development policies (Clark and Lund, 2007).

The multinational corporation PT. Vale Indonesia, Tbk, which operates in the mining industry, plays a crucial role in advancing sustainable development in the East Luwu Regency. By means of foreign direct investment, these corporations possess the capacity to significantly contribute to the generation of employment opportunities, the establishment of infrastructure, and the facilitation of economic expansion at the regional level.

The strategic responsibility of ensuring that the operations of PT. Vale Indonesia, Tbk, align with the principles of sustainable development lies with the government of East Luwu Regency. Local governments have the duty of regulating and supervising companies to ensure their adherence to local laws and regulations, along with international environmental standards.









Figure 1. Material Topics and Impact Boundaries of PT. Vale Indonesia, Tbk

Material Topic	Key Topic	Impact	Importance of Material Topic
Occupational Health and Safety	Implementation of management policies and achievement of OHS performance	Head Office Operating Areas: Sorowako Bahodopi Pomalaa	The characteristics of the operations carried out by PT Vale have a high risk to the health and safety of employees, thus it is important to inform OHS management so that stakeholders are aware of PT Vale's commitment to providing a healthy and safe workplace, and according to the value: 'Life matters most'.
Post-Mining Rehabilitation	Environmental recovery and climate change prevention	Operating Areas: Sorowako	The mining process has the potential to change the landscape so that the former mining activity area needs to be managed and utilized to function according to its designation. PT Vale has a policy and carries out rehabilitation of former mining areas.
Emissions	Measurement and reduction of greenhouse gas (GHG) emissions and conventional emissions	Head Office Operating Areas: Sorowako Bahodopi Pomalaa	Reduce absolute GHG by 33% by 2030 and conventional emissions.
Energy	Energy efficiency and development of new and renewable energy (EBT)	Head office Sorowako Bahodopi Pomalaa	Energy is needed for the Company's operational activities and efficiency efforts, as well as the use of New and Renewable Energy (EBT) to reduce climate change.
Local Communities	Management of negative impacts and enhancement of positive impacts on local communities.	Operating Areas: Sorowako	The local communities are a strategic stakeholder that develops with the Company and PT Vale's efforts to improve their welfare are very important.
Economic Performance	Direct economic value generated and distributed to stakeholders.	Head office Operating Areas: Sorowako Bahodopi Pomalaa	Economic performance is the basis for all the Company's operational activities and risks that can affect economic performance are very important to be managed.
Diversity and Equality	Training, competency improvement, and career development for employees and opportunities for society	Head office Operating Areas: Sorowako Bahodopi Pomalaa	Vale's aspiration is to become an authentically inclusive company, namely by accommodating and respecting the diversity of employees so that they can fully contribute to achieve maximum potential, without discrimination, and achieve a positive work experience.
Waste	Landfill load reduction	Head office Operating Areas: Sorowako Bahodopi Pomalaa	PT Vale's efforts to recycle, reuse, and reduce (3R) waste properly, through stakeholder engagement.
Business Ethics	Anti-corruption training, e-procurement, Corporate Integrity pact	Head office Operating Areas: Sorowako Bahodopi Pomalaa	PT Vale's commitment to support an anti-corruption culture, by conducting various trainings and outreach, implementing e-procurement and inclusion of no bribery and corruption in every employee that is renewed annually.
Water and Effluents	Reducing the intensity of water usage	Head office Sorowako Bahodopi Pomalaa	<ul style="list-style-type: none"> Vale's commitment to process liquid waste to meet quality standards, according to the Minister of Environment Regulation No. 9 of 2006 concerning Wastewater Quality Standards for Nickel Ore Mining Business and/or Activities, as well as maintaining the clarity of lake water in the operating area. PTV targets to reduce the intensity of new water use from natural sources by 10% by 2030 based on 2018 as the year of baseline.

This collaboration has generated considerable advantages. PT. Vale Indonesia, Tbk., has effectively contributed to job creation by providing employment opportunities to a significant number of local residents, thereby bolstering the regional economy and enhancing the standard of living for the populace. The organisation has made a significant contribution towards enhancing community amenities and services, including but not limited to transport and healthcare facilities, within the framework of infrastructure development.

In pursuit of sustainable development, the local government has effectively monitored corporate activities to mitigate environmental effects and optimise resource consumption in a sustainable manner. Consequently, this facilitates the achievement of equilibrium between the advancement of the economy and the conservation of the environment.

Figure 2. Target and Strategy for Sustainability of PT. Vale Indonesia

 Sustainable and Environmentally Friendly Agriculture	Target	Create an integrated farming system that promotes Good Agricultural Practices through maintaining ecological order and avoiding the use of pesticides or chemical fertilizers that risk damaging soil structure, its fertility and also the survival in the food chain.
	Strategy	Form an Integrated Agricultural Area in Towuti District
Tackling Coronavirus	Target	Minimize the impact of COVID-19 at the regional level.
	Strategy	Strictly implement health protocols and provide assistance to both employees and the public to reduce the spread of COVID-19.
 The Company signs the Diversity and Inclusion Charter	Target	<ul style="list-style-type: none"> · Increase in the number of female employees to 8.9% by the end of 2021. · Establishing a recruitment strategy that includes an objective to increase the number of female employees and employees with disabilities by reviewing which jobs can be completed.
	Strategy	<ul style="list-style-type: none"> · Expanding job opportunities for female employees and employees with disabilities. · Provide training related to diversity and inclusion to all employees.
 Renewable Energy for Our Operations	Target	Achieve 100% clean energy production targets to sustain self-generated energy by 2030.
	Strategy	Clean energy optimization, power stabilization, waste heat and solar panel utilization, also fuel shift.
 The trainings carried out by third parties are Gender Bias Training, Unconscious Bias Training, and How To Build A Culture of Respect in Vale Indonesia Training	Target	Raising awareness about gender diversity and inclusiveness to 230 leaders (supervisor level up)
	Strategy	Provide information on the implementation of the H-2 week training via email and provide a questionnaire regarding training responses.
 Emergency Response Team for Disaster Areas	Target	Become part of efforts to accelerate the recovery of affected areas
	Strategy	Provide aid to disaster-affected areas
 Towards Low Carbon	Target	2050 Net Zero Emission
	Strategy	Reduce greenhouse gas emission levels by 33% by 2030 by optimizing energy usage along the supply chain; shifting lower carbon fuels, electrification of mining heavy equipment and its supports; move from fossil fuels to renewable energy sources; achieve 100% clean energy production target to sustain self-generated energy by 2030; and continue to rehabilitate post-mining areas and carry out beyond boundary reforestation.
 Building Good Corporate Governance	Target	Promote continuous improvement in ethical awareness
	Strategy	<ul style="list-style-type: none"> · Conduct anti-corruption and ethics & conduct socialization and training. · Develop a road map to better governance based on international standards.
 Tackling Coronavirus	Target	Minimize the impact of COVID-19 at the regional level
	Strategy	Strictly implement health protocols, provide assistance to both employees and the public, and work closely with stakeholders to reduce the spread of COVID-19.

Nevertheless, congruent with these favourable outcomes, this investigation also pinpointed several obstacles to this collaboration. One objective is to promote equitable distribution of the benefits of PT. Vale Indonesia, Tbk., among all members of the local community rather than having them concentrated solely among specific individuals or groups. An inclusive and participatory approach is necessary for the decision-making process related to company operations.

Furthermore, the present study highlights the significance of transparency and the involvement of the public in this collaborative effort. The district government is responsible for ensuring that its constituents have access to pertinent information and are afforded the chance to engage in decision-making procedures concerning public transport operations. Vale Indonesia, Tbk., is a publicly traded mining company based in Indonesia.

In summary, the present study demonstrates that the collaboration between the Government of East Luwu Regency and PT. Vale Indonesia, Tbk. serves as a tangible illustration of the potential for public-private partnerships to effectively pursue sustainable development objectives. Despite the existence of obstacles that require resolution, the potential advantages of this collaboration for the populace of East Luwu are noteworthy and instill optimism for a more enduring future.

CONCLUSION

The collaborative efforts between the Government of East Luwu Regency and PT. Vale Indonesia, Tbk. exemplify the concept of paradiplomacy, whereby regional governments engage in diplomatic endeavours to advance their respective interests. Within this particular context, the governmental body of East Luwu Regency has effectively employed the practise of paradiplomacy in order to attain objectives related to sustainable development. Furthermore, there is backing from corporations that possess a well-defined framework pertaining to the Sustainable Development Goals (SDGs) initiative.

The phenomenon of paradiplomacy has facilitated a collaborative effort between the regional government and PT. Vale Indonesia, Tbk., to achieve a harmonious equilibrium between economic development and environmental conservation. The corporation significantly contributes to job creation, infrastructure development, and economic growth, while the municipal administration ensures that these activities align with the tenets of sustainable development.

Nevertheless, the study indicates that certain obstacles persist, such as the need to guarantee a fair allocation of advantages and the involvement of all members of the community in the decision-making procedures. The attainment of sustainable development is contingent upon crucial factors such as public participation and transparency in the process.

To conclude, this collaborative alliance demonstrates the significant capacity of paradiplomacy to advance sustainable development. The successful collaboration between the East Luwu Regency Government and PT. Vale Indonesia, Tbk. has demonstrated that sustainable development objectives can be attained through efficient partnerships between local governments and multinational corporations, subject to the resolution of obstacles and the appropriate application of sustainable development principles. The study highlights the significance of paradiplomacy as a strategic instrument for subnational authorities in devising and executing their sustainable development plans.

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