

ABSTRACT

This study explores the economic and environmental potential of coconut shell charcoal production as a sustainable business model that aligns with circular economy principles. Utilizing qualitative methods, including a single case study interview with a local producer and analysis through the Business Model Canvas (BMC), the study aims to evaluate the profitability, operational structure, and market opportunities for coconut shell charcoal businesses in Indonesia.

The findings reveal that coconut shell charcoal is a highly profitable alternative to wood charcoal, with a monthly gross profit of IDR 2,983,563, significantly surpassing the gross profit of wood charcoal at IDR 495,000. The analysis through the BMC identifies key components such as cost structure, revenue streams, and customer segments, highlighting the business's scalability and potential to penetrate both local and international markets. By utilizing coconut shell waste as a raw material, the production process minimizes waste, reduces carbon emissions, and supports resource efficiency, reinforcing its alignment with circular economy goals.

The study also emphasizes the socio-economic benefits of coconut shell charcoal production, including job creation, rural development, and enhanced community livelihoods. Insights from the interview underline the importance of accessible resources, efficient production methods, and targeted market strategies for successful implementation.

In conclusion, coconut shell charcoal production offers a promising pathway for sustainable development, combining economic profitability with environmental stewardship. This business model not only addresses the growing demand for renewable energy but also supports a circular economy in action.

Keywords:

Coconut shell charcoal, circular economy, sustainable business, profit estimation