

Australian gold company chooses lawlessness as it faces wide rejection

Despite a royalty promise of 80 percent to be divided between the regencies of North Sulawesi province, the 'host to be regency', North Minahasa, continues to reject the gold mine planned by Australian Archipelago Resources Pty at Toka Tindung. This is confirmed by the head of the regency's parliament (DPRD MINUT), Sus Pangemanan, as cited in the newspaper KOMENTAR, October 10, 2006 edition. One of the major political parties, PDIP Minut, also rejects the mine, says its leader, Deky Wagey ST, because of the "potential to destroy the viable sectors of fishery, agriculture and tourism in the area" (KOMENTAR, Oct 10, 2006 edition).

In the meanwhile the company pushes construction, although the environmental impact assessment permit (EIA) is still not secured, neither for the reconsidered storage of tailings on a dumping site on land (the original plan of submarine disposal had to be abolished) nor for the building of a jetty and road from the coast to the processing plant to be.

The company in its INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2006 CHIEF EXECUTIVE OFFICER'S STATEMENT claims to be confident to receive " a number of operating permits" which "remain to be issued before production can commence in 2007. However on the basis of advice from government authorities the Company considers that it is on track to receive these permits in coming months, ...". In the same report it states that "All land purchases necessary to commence production have been completed ahead of schedule and a 7km road has been constructed from the mine site to the coast where a jetty will be constructed in preparation for the delivery of bulk goods required for construction and operations. "

This turns out to be a very optimistic evaluation though, as the Indonesian Supreme Court last year decided a land claim in favor of the appeal of local landowners (Dendeng family) concerning 29,6 ha of the concession land claimed to be already held by Archipelago Resources Meares Soputan Mining Company (Mahkamah Agung High Court decision April 23, 2006). The letter of execution issued by the Manado Court (Number PU. 21-Mdo/562/HPDT/X/2006) on October 4, 2006 to be executed on October 10th though suddenly was postponed. Newspaper KOMENTAR in its October 10, 2006 edition suspects the Australian gold mining company "to have manipulated the Court" to achieve this, as it had asked the Indonesian High Court to review its decision. At the same time the Head Judge of the Manado Court said he was threatened by the Australian company to be taken to court himself for issuing the letter of execution (KOMENTAR October 10, 2006 edition, "Hukum & Kriminalitas", "This, if happens, will be a unique case, because it will be the first time in history. The case was decided on the highest juridical level by the Indonesian High Court (in Jakarta, not in Manado), and thus is unshakable. It would be funny if every time I try to carry out my duty I will be pursued for it."

Preparing for war, Meares Soputan Mining (MSM) mobilizes its workforce relatives and paid youths to show off strength. The public relations officer, Jecky Sumampow, is cited in KOMENTAR, October 10, 2006 edition, "Minahasa Utara", "we are prepared to prevent the execution ordered by the Manado Court. We will mobilize our masses. And again, in POSKO, October 16, 2006 edition, "Minahasa Raya", another MSM public relations officer, Feliks Palenewen, threatens, "Approximately ten thousand people we will mobilize to stage a mass demonstration from the Court to the Provincial Governor's office".

In July 2006 several thousand fishing and farming people associated in the coastal peoples alliance AMMALTA had staged a peaceful mass demonstration from Bitung harbor via Airmadidi, the regency's capital, to the provincial capital Manado demanding that the Australian company cancels the gold mine and leaves North Sulawesi. As a result, the company's original plan of submarine disposal of tailings (STD) was modified into the Tailing Storage Facility on land (TSF), although the area is prone to yearly floods and earthquakes and thus this solution is far from safe for man and environment. On their way home one truck with peaceful demonstrators was attacked out of the back by men known to belong to MSMs security forces. Several demonstrators suffered severe head injuries and a woman pregnant seven months a miscarriage. The case was never properly investigated, as vice governor Freddy Sualang is cited in KOMENTAR October 4, 2006 edition "Wagub desak usut tuntas kasus penganiayaan oleh oknum staf PT MSM" (Provincial vice governor urges the thorough investigation of unfair violence done by anonymous staff of Meares Soputan Mining company), "it cannot be that people who peacefully demonstrate their aspirations are terrorized".

As the whole process since its presence in Indonesia from the start has proven, Archipelago Resources and its Indonesian arm Meares Soputan Mining don't care for the regulations and the law valid in its host country, neither do they for the people. They just behave in a most neo-colonial and arrogant manner as if on a law-free ground. Being under pressure of the credit – giving banks and shareholders, they push ahead construction, obviously speculating that they can exercise pressure on the Indonesian government institutions claiming that they already invested more than 75 bio. US Dollars. Refusing the company Indonesia would be blamed of scaring away investors and facing the threat of compensation asked for by the company. They just don't want to accept that the people of North Sulawesi don't want another gold mine operating in the area that is well known in Indonesia for its prosperity due to fishery, agriculture and tourism. This is not understood by Archipelago Resources, as GM Peter Brown, in Jakarta Post October 9, 2006 edition still states, "It is our understanding that the vast majority of the community support our efforts to develop what will be one of the largest revenue producers for the province of North Sulawesi." Shortterm extractive industries like gold mining just don't fit in the longterm sustainable development plans of this province. If the Aussies would just accept this...

(Compiled and translated from newspaper excerpts by Freundeskreis Lembeh – Pulisan – Bangka, 17.10.2006)

(Archive of scanned newspaper articles in original can be forwarded)