

## RECENT AMMALTA<sup>1</sup> FOLLOW - UP VISIT TO JAKARTA

Between October 16 – 18<sup>th</sup> 2006, almost a year after the first AMMALTA mission to Jakarta in their efforts to stop Meares Sopotan Mining (MSM) and Tambang Tondano Nusajaya (TTN) opening up a goldmine in their area, 3 delegates of AMMALTA undertook a follow-up visit to the Indonesian capital. The first day started with a discussion about big investment, and the risk for environment and the people if the companies acted irresponsibly. During that occasion the AMMALTA delegates from North Sulawesi handed over a petition to DR. Amien Rais, the head of the Commission VI of the DPR-RI.

In the afternoon the delegates of AMMALTA were granted a hearing by the Commission VII of the DPR-RI which is headed by Sonny Keraf, the former minister of Environment. The session was attended by members of several major political parties. The AMMALTA delegates urged the commission to have a thorough look into the process of MSM and TTN producing a renewed EIA (Environmental Impact Assessment Study) which doesn't comply to valid government regulations, doesn't involve the presence of the Department of Health and is produced only after the companies have already entered the construction stage, thus is a farce. Also the fact that the government contract held by MSM actually violates the law as it was granted in November 1986 by the President Soeharto almost two weeks before the company was officially registered. For that purpose the commission promised to call the Ministry of Energy and Mineral Resources and the Ministry of Environment to a hearing. In the late afternoon the AMMALTA delegates had a dialog with Olly Dondokambey, the head of the commission XI of the DPR-RI about the violation of landrights the Australian company had done against local landowners. Mr Dondokambey uttered his concern about a foreign company bringing only shortterm benefit to certain people whereas the livelihood of the majority of people will be put at severe risk.

The next day was followed with a visit to the office of the Minister Of Environment, Rahmat Witoelar. The meeting was also attended by Ir. Arie Joekardi, the head of the AMDAL (EIA) evaluation committee, and Engineer Hutomo, a ministerial staff.

After having listened to the joint presentation of AMMALTA, JATAM<sup>2</sup> and WALHI<sup>3</sup>, the minister showed his surprise that there were many violations during the process of producing the EIA. According to the Minister, his ministry doesn't have the competency though to hold the company which is under the authority of the Ministry of Energy. Although the Ministry is independent, he promised to have a look into the matter and write to other ministries involved, e.g. the Ministry of Traffic regarding the building of a jetty without proper permit.

Before the delegation headed back to Manado in the afternoon, they held a press conference at the JATAM building which was attended by approximately 10 journalists from various print and electronic media.

## **A COMPILATION OF VIOLATIONS DONE BY MSM/TTN**

AMMALTA claims that the government contract with the Republic Of Indonesia held by MSM/TTN is not valid, thus must be cancelled. The government contract of work no. B - 43/Pres/II/1986 dated Nov. 6th 1986 held by PT. Meares Soputan Mining (MSM) is violating MPR RI Decree no. XI/MPR/1998 that demands "clean governance, free from corruption, collusion and nepotism" because the contract of work was signed by former president RI Soeharto 13 days *before* the company was formed by notarial act no. 52/November 17th 1986. Only later the company was legalised by ministerial decree no. C - 8283 - HT.01.01TH86 dated November 29th 1986 (Menteri Kehakiman). This means in evidence that the contract of work between the Government of the Republic Of Indonesia and PT. Meares Soputan Mining is a product of corruption and fails to match the standards of law currently valid.

The current AMDAL (Analisis Mengenai Dampak Lingkungan Hidup)/EIA (Environmental Impact Assessment) no. 1964/28/SJN.T/98 held by PT. Meares Soputan Mining was acknowledged by the Ministry Of Mining And Energy on June 4th 1998. According to Government Regulation 27/1999, chapter 26 relating Environmental Assessment, an EIA that is not employed for three years or more since its date of issue, or changed the production figures **AUTOMATICALLY EXPIRES**. The letter no. B - 6083/Dep.I/LH/12/2005 of the Department of Environment dated December 6th 2005 states this in point 4. It is also reinforced in letter no. 545/2201/SEKR by the Governor of the Province of North Sulawesi dated December 20th 2005. Both letters point out that the company must produce a **new** EIA which takes into account the current socio - economical situation and valid regional planning schemes. The regional planning schemes of Bitung and North Minahasa both don't include gold mining. Both letters were "corrected" though several months later in favor of the gold company, and the regional development plans are currently "revised" – it is feared under money manipulation of the company. The letter No. 0998/40/MEM.G/2006 of the Ministry of Energy and Minerals dated March 7th 2006 and signed by the Minister P. Yusgiantoro states that the company cancelled its plans to change production figures and thus the old AMDAL doesn't have to be renewed (point 1). A commission built to evaluate the AMDAL would decide if it was enough to just do amendments to it (point 2). Until the legal status of the company was decided, that had already entered construction stage, the old AMDAL could be temporarily employed still (point 4). Two months later the outcome of this evaluation by a commission that, as AMMALTA criticises, didn't even involve a representative from the Ministry of Health, as AMDAL revision regulations require, is stated in letter no. B-2865/Dep-I/LH/05/06 dated May 15th 2006 and signed by deputy engineer Arie D.D. Djoekardi, MA: a **revision** of the old AMDAL would do, no need for compiling a new EIA. This very much surprises as in the meanwhile the company had to oblige to the pressure of regional governments and the local people and modify the original plans of a submarine

disposal of tailings (STD) into what General Manager Peter Brown in Jakarta Post edition of October 9th 2006 specifies: " In demonstration of our respect for the aspirations expressed by the governor of North Sulawesi, community and tourism organizations, the Company has some months ago undertaken to modify its approaches for tailings management. A combined land tailings/rock waste dump has been engineered at significant additional cost to the project, which exceeds the highest standards of environmental and safety factors anywhere in the world." So far there is no official statement made by the company though that can verify this good will declaration. Nor is there an EIA grounded on a thorough study of possible harms done by a storage facility placement on land.

The ongoing construction of a jetty and road to deliver bulk goods to the production site "to be" also violates valid government regulations. This was complained about by the AMMALTA delegates during their meeting with the Minister of Environment, Rahmat Witoelar. They claimed that MSM only held a permit by the regency's Office of Traffic and Communication, No. 522/DPT-MU/29/5/06 dated May 18th 2006 and not by the Ministry as is required in PP no. 27/1999. When the company tried to start the construction of the jetty and were prevented by local landowners, they hired BRIMOB forces that fired into the masses, thus not only violating the valid law but also peoples' rights. The matter was reported to Mabes Polri and Kapolda Sulut by AMMALTA.

The same kind of violence by paid forces was used when peaceful demonstrators returned from the mass demonstration against the gold company more than 3500 coastal people had staged on July 13th 2006 starting at Bitung harbour and leading via the regency's capital Airmadidi to the Provincial metropole Manado. In the local newspaper edition KOMENTAR of October 4th 2006 the provincial vice governor Freddy Sualang demands that "the violent attack of anonymous MSM staff" against returning villagers must be "investigated to the end", because "it cannot be that people who show their aspirations are attacked".

In their recent visit to the government offices AMMALTA also claimed that the process of the socialisation of the AMDAL as is demanded by law was violated continuously by the mining company: "PT MSM misused, manipulated and even insulted religion by holding so-called Kebaktian Kebangunan Rohani (KKR) in the villages around the mining site. People were told that the company was already accepted by the government, thus whoever fought PT MSM and PT TTN fought representatives of the government and thus was fighting god and the divine order." AMMALTA thus accuses the company of secular intimidation (**intimidasi sekular**).

The attachment in the chapter "public consultation" in the KA-ANDAL study submitted by PT MSM in July 2006 cites:

*"Pemerintah sebagaimana dalam kitab suci Alkitab adalah merupakan WAKIL ALLAH di dunia. Oleh sebab itu setiap warga negara yang baik wajib tunduk dan mentaati semua keputusan dari pemerintah yang berarti juga sama dengan taat kepada Tuhan.*

*Bagi yang menentang Keputusan Pemerintah sama dengan menentang Tuhan dan sesuai isi Firman Tuhan akan menerima hukuman/kesusahan”.*

In the same manner the company doesn't respect law decisions against them. One of the five land rights violations which are currently dealt with on request of local landowners was by the Highest Law Court in Jakarta (Mahkamah Agung) decided in favor of the landowning family, regarding more than 30 ha land (No. 19/Pdt/2004 dated April 28th 2005) that the land should be immediately returned to the owners. When the land execution pended in October, the company via their public relations officers publicly threatened to mobilize thousands of people to prevent this (KOMENTAR October 10th edition, page Hukum & Kriminalitas "20Ribu Massa Lingkar Tambang Siap Hadang Eksekusi MSM and POSKO Manado October 16th edition, page 6, Hari Ini, Ribuan Massa Minut 'Turun Gunung'). AMMALTA sees this as a further evidence that the company acts beyond any sphere of law just as if it were in its own country, Australia.

Every single step, so AMMALTA, indicates that the company will not be the proper one to respect the environment and its people during the gold excavation process should it ever get there.

In the meanwhile the company still doesn't hold the production permits needed. Archipelago Resources is obviously lying to the credit giving banks<sup>4</sup> in order to secure the credits already granted to start construction. At the moment it is far from being decided, if PT. Meares Sopotan Mining will be going to operate in the area or not. Since November 10<sup>th</sup> 2006 hundreds of coastal fishing people stage a sea blockade in front of Rinondoran Bay to prevent the company to deload second hand acquired bulk goods it is supposed to receive these days from Chile in order to build the production plant.

(AMMALTA, November 11, 2006 update)

- 1 AMMALTA Alliansi Masyarakat Menolak Limbah Tambang
- 2 JATAM Mining Advocacy Network (Jakarta based NGO)
- 3 WALHI Indonesian Forum For Environment (Jakarta based NGO)
- 4 Credit giving banks: Societe General of France, Westdeutsche Landesbank Of Germany, N.M. Rothschild & Sons of Australia and ANZ of Australia