

'Reject mining in protected areas' - see p.6



# DTE

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## Down to Earth International Campaign for Ecological Justice in Indonesia

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for **Gaung AMAN**, the newsletter  
of AMAN, the Alliance of  
Indigenous Peoples of the  
Archipelago.

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## Political parties disregard rights, environment and sustainable development

*Long before the results of Indonesia's April 5th elections were announced, the outcome for environmental policy-making was already clear.*

One month before Indonesia's April parliamentary elections, the Indonesian Center for Environmental Law (ICEL) issued the results of a survey of political parties' platforms on the environment and sustainable development. The results made disappointing reading for voters wanting to elect a government that will seriously address the country's deep ecological crisis.

ICEL's survey found that only half of the twenty four political parties taking part in the elections had any kind of proposals concerning the environment or sustainable

development. Of those, only two parties had something to say under the three categories listed by ICEL: environment/natural resources; sustainable development; and good sustainable development governance. No political party had any 'break-through' proposals which offered ways of tackling the current urgent problems of drought, landslides, flooding, illegal logging and forest fires.

The two biggest parties elected in 1999 - President Megawati's PDI-P and Golkar - had no platform at all on the environment or sustainable development for the 2004 elections. ICEL concludes that the PDI-P has not learnt any lessons from the failure to manage natural resources during its period in government. Whereas Golkar (the ruling party during the Suharto era) "has clearly not yet been capable of changing their old paradigm which merely glorified economic growth distorted by bad governance".

Instead, concludes ICEL, the governing parties have made decisions that go against sustainable development. These include issuing a regulation to permit mining in protection forests (*Perpu* No.1 of 2004 - see p.6), approving the environmentally damaging Ladia Galaska road project in Aceh and passing the Water Resources Law, which was strongly opposed by civil society organisations. The government has also ignored MPR decree No. IX of 2001 on Agrarian Reform and Natural Resources (see *DTE* 57:15) and Law No 25 of 2000 on National Development Programmes (*Proenas*) by stopping all further work on

formulating a Natural Resources Management Law (see *DTE* 59:16) and on setting up a National Sustainable Development Council. This is despite President Megawati's commitment, made in front of thousands of participants and national and foreign journalists, at the Earth Summit in Johannesburg in September 2002.

The national parliament (DPR) has also failed to include sustainable development in its policy-making, says ICEL. Parliamentarians failed to fulfil their promise to form a 'parliamentary environmental caucus'.

### PPP and PBR

The only two parties that had proposals under all three of ICEL's criteria were the United Development Party (PPP) led by vice-president Hamzah Haz, and the Star Reform Party (PBR), a PPP spin-off party. The PPP's

### The 2004 elections

On April 5, Indonesia voted to fill over 16,000 positions in local councils, provincial assemblies (DPRD) and the national parliament (DPR).

The results were announced one month later. The Suharto-era government party, Golkar, won most seats in the national parliament, followed by President Megawati's PDI-P (which won most seats in the 1999 elections). The PPP came third and the PD, led by presidential candidate Susilo Bambang Yudhoyono, fourth, followed by former President Wahid's PKB.

Presidential elections are on July 5, but if no candidate receives 50% of the vote or at least 20% in half of the provinces, the two leading candidates will contest a second round in September. (*Jakarta Post* 6/May/04; *WSWS*, 8/Mar/04, 21/Apr/04 - <http://www.wsws.org/index.shtml>).

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programme includes the development of a conflict resolution mechanism which does not disadvantage local communities; pushing for renewable energy utilisation; and reviewing natural resource management policies based on the principles of conservation, democracy, economy, transparency, people's prosperity, justice and efficiency, which are oriented towards sustainable development and the greatest prosperity for the people. However, as ICEL points out, the PPP has been in parliament and has had ministers in the cabinet, where it has not showed any commitment to sustainable development.

The small PBR party proposes to recognise customary rights of indigenous peoples and to include indigenous peoples in the management of their customary owned natural resources.

Of the other ten parties which have environmental programmes, those most likely to win seats in parliament include the party of former President Abdurrahman Wahid, the National Awakening Party (PKB). The PKB says it will impose severe sanctions on polluters, apply technology to detect pollution and conduct campaigns to raise environmental awareness. Another is the Justice and Welfare Party (PKS), which organised large anti-Iraq war rallies and conducts grass-roots social programmes. This is also the only party to have a 30% quota for women candidates. The PKS states that environmental conservation is based on it being an integral part in all sectors of development, there is no room for "sectoral arrogance". It also wants "total people and state participation" in resource management,

plus international co-operation.

The National Mandate Party (PAN), led by MPR speaker Amien Rais, commits to environmental protection based on the belief that the environment is borrowed from future generations and needs to be protected from human greed.

The new Democratic Party (PD) created by former army general and former Co-ordinating Minister for Politics and Security Affairs, Susilo Bambang Yudhoyono, says it will support global environmental conservation (according to national capacity and without sacrificing the people's interests); contribute to global conservation by preserving forests; and ensure that logging concessions (HPH) are allocated based on the natural capacity of Indonesia's forests. As befitting a party led by a former military man, this party also pledges to manage natural resources sustainably as part of strengthening "national integrity". According to an April opinion poll published in Jakarta, Yudhoyono, is leading in the presidential race. In January he was quoted as saying that democracy, human rights, concern for the environment could not become absolute goals in Indonesia because pursuing them as such will not be good for the country.

ICEL concludes that those parties that do have environment and sustainable development platforms actually have nothing new to say, and that some of their programmes date from the 1970s before the environmental crisis had reached today's levels. One party, PKPB, had simply cut and paste the contents of the GBHN (State Guidelines for the 1999 to 2004 period) into their manifesto, without putting it into an appropriate context. (This party is chaired by retired general Hartono, who is close to former dictator Suharto and is pushing Suharto's daughter Tutut for the presidency).

ICEL ends its report by appealing to the public not to vote for political parties that:

- ♦ don't have a platform or programme on protecting natural resources and the environment;
- ♦ don't have a genuine idea how, in the current context of ecological crisis, to save and protect the environment for the interests of the majority;
- ♦ have already been proven to support or issue policies which directly or indirectly destroy natural resources and the function of the environment;

The NGO also urges them not to support or vote for candidates who:

- ♦ are involved in natural resources and environmental destruction, including denial of people's rights, through holding a significant number of shares in a destructive company or through holding positions in such companies, where they are actually able to influence company policies, but fail to do so (commissioners,

## The environmental costs of the elections

Leading Indonesian environmental NGO WALHI reckons that the election process itself could take a heavy toll on the environment, because of fundraising activities by political parties. In January last year, Director General of Forest Protection and Nature Conservation, I Made Subadia, told parliament that illegal logging would increase dramatically before the elections, as politicians put pressure on illegal loggers to provide more funds. The statement was reported to have infuriated parliamentarians.

Writing in the NGO's newsletter *Tanah Air*, WALHI's M. Ridha Saleh, says there is ample room for conspiracy between powerful politicians and entrepreneurs in the 2004 elections, to strike deals for mutual benefit. Such projects as land rehabilitation, logging and wood industry licences, the Aceh Ladia Galaska Road scheme, and sand mining in Riau province provide opportunities for politicians to fund their campaigns.

Says Joko Waluyo of the NGO KPSHK, "These elections will just become a means of accumulating capital, which is plundered from natural resources by powerful politicians. It is all done in the interests of maintaining their power".

(Pemilu 2004: *Eskalasi Penjarahan Alam*, M. Ridha Saleh [no date]; *Pemilu: Bemper Partai Merusak Lingkungan*, M. Ridha Saleh [no date]; *Jakarta Post* 30/Jan/03)

independent commissioners and directors);

- ♦ are linked to policy-making which doesn't support ecological protection including protection of local peoples' rights;
- ♦ are involved in making statements which go against principles and values of ecological protection, including protection of local peoples' rights.

(Source: *Tolak Parpol yang tidak peduli penyelamatkan sumber daya alam dan lingkungan hidup dalam pentas politik Indonesia*, ICEL, 19/Mar/04 at <http://www.icel.or.id/ind/>; *Laksamana.net* 11/Jan/04)

## Who not to vote for

An NGO-supported organisation, the National Movement Against Voting for Rotten Politicians, issued a long list of election candidates with bad records on human rights, environment and women's rights. The lists of parliamentary and regional representatives

## Urgent Action on Wiranto as presidential candidate

On April 21, Golkar nominated former general Wiranto as its presidential candidate.

Wiranto was commander of Indonesia's armed forces during the systematic human rights violations by the army and army-backed militias against the civilian population in East Timor in 1999. He has been indicted on crimes against humanity charges by East Timor's UN-backed serious crimes tribunal. "Golkar should be embarrassed to select someone who has been indicted for crimes against humanity as its presidential candidate," said Brad Adams, executive director of the Asia Division at Human Rights Watch. Tapol, the Indonesia human rights campaign, has called on the international community to express concern over the impact of Wiranto's nomination on Indonesia's democratic development - contact [tapol@gn.apc.org](mailto:tapol@gn.apc.org). (Human Rights Watch, 22/Apr/04; Tapol Press Release 21/Apr/04)

council candidates were printed in the group's newspaper, *Sosok* in March, in a bid to raise awareness among voters and enable them to make critically informed decisions on who to vote for.

Among those listed under the 'environment destroyers' category are oil tycoon Arifin Panigoro (PDP-P party) and Marzuki Usman (PKB party) for his position as commissioner of the oil palm company PT London Sumatra and former position with timber concessionaire PT Hatma Santi. A

## The Regional Representatives Council (DPD)

Voting for members of a Regional Representatives Council (DPD) was a new element in this year's elections, bringing the number of institutions voted for in April to four: regional assembly members at provincial and district levels, members of the national parliament (DPR) and the DPD.

The 120-member DPD, with four members from each of Indonesia's 30 provinces, is designed to function as second chamber to the DPR, as a kind of senate to counterbalance the powers of parliament. Together with the 500-member DPR, it will make up the new MPR - the People's Consultative Assembly, replacing the appointed MPR members in the previous system.

However, much remains unclear about the powers of this new body. AMAN is concerned that DPD members will only have powers to advise the DPR members on legislative matters, rather than playing a more pro-active and decisive role. Civil society groups like AMAN want the DPD to be afforded greater powers because, unlike parliament, the DPD is not based on the political party system. The DPD therefore offers a unique opportunity for civil society groups to nominate candidates from their own organisations. At the same time, warns AMAN, it is possible for members of the police or military to be elected members of the DPD, something indigenous communities need to guard against. It is possible that members of the armed forces and police will try to use this route, having lost their allocation of 38 appointed seats in the DPR.

(Source: *Tapol Bulletin* 175, March/April 2004. This *Bulletin* also contains a lot of information on the parties taking part in the elections; *Gaung AMAN* VII, August 2003; WSW 8/Mar/04)



Women and the election:  
Cartoon from *Sosok* - pilih saya = vote for me;  
caleg = candidate

further eight candidates from different parties are listed for supporting the Ladia Galaska road project which runs through the high biodiversity Gunung Leuser protected area in Aceh.

(Both issues of *Sosok*, March 12 and March 28, plus elections news, are on the group's website at <http://www.antipolitisibusuk.org/>)

## Candidates sign political contract with AMAN

On March 26, AMAN signed a co-operation agreement with nine candidates for the Regional Representatives Council (DPD) all from different provinces. According to AMAN, this marked the emergence of a new political awareness among indigenous peoples who have "continuously been the victims of subjection and exploitation, resulting from collusion between the political elite and investors...From one election to another, indigenous peoples have been tricked with false promises." The nine candidates were selected from a larger number of candidates from indigenous communities taking part in DPD and local assembly elections.

Participants at the AMAN Congresses in 1999 and 2003 agreed that indigenous peoples must enter the political arena, by placing delegates in elected institutions at both local and at national levels. The nine DPD candidates who signed

## Spray campaign

Pesticides Action Network (PAN) has criticised political parties who are spraying people's homes with mosquito-killing chemicals. Party activists have been spraying (or "fogging", as it is known locally) the insecticides in a bid to win votes in their door-to-door campaigns in Jakarta suburbs and Surabaya. The PKB party candidate in Surabaya had been identified as one of those using this tactic.

There has been major concern about increasing number of cases of dengue fever - and deaths from it - in the first few months of 2004. The Health Department is doing most of the spraying, but some party activists appear to have jumped on the bandwagon to secure votes. PAN has called on parties to stop the practice, drawing attention to TV reports of the death in March of a four year-old child, caused by spraying.

PAN says these poisonous chemicals are being used by untrained people, who do not understand the health and environmental impacts. The group has urged the Health Department to stop distributing the chemicals to political parties. The authorities should also stop promoting chemical spraying as the only way to prevent dengue-carrying mosquitoes, says PAN, as there are several alternatives methods available, including mosquito-repellent plants.

In Tangerang, a suburb of Jakarta, the chemical used in the spraying is Malathion (chemical name: Diethyl (dimethoxythiooosphorylthio)succinate), which has a World Health Organisation hazard classification of III.

According to PAN, an early warning system against dengue is applied in some urban areas, whereby fogging is used only as a last resort, with the agreement of the community. The spraying is done by trained government health officials and houses which have been sprayed must not be reoccupied until at least two days after spraying. Children especially should be kept away from the spray. Spraying for political purposes is clearly falling far short of these standards. (PAN Press Release 19/Mar/04 and email exchange).

## Right to food

PAN has also been involved in initiative to push political parties to adopt policies on the right to food.

A meeting of NGOs and peasants organisations in North Sumatra in February this year demanded that the government fulfil its international legal commitments on the right to food. (Press release by 17 organisations, 26/Feb/04)

the agreement included Zonson Masri, leader of the Meratus Dayak movement and head of the Indigenous Peoples' Union of South Kalimantan (Permada); Nyoman Suetha, an AMAN Council member; Zadrak Wamebu, a Papuan indigenous rights activist; and Idham Hasibun, a PDI-P regional assembly member in North Sumatra province. The candidates have all agreed political contracts to defend *adat* (customary) rights with the indigenous communities in their own constituencies, by swearing *adat* oaths as well as signing legally binding political contracts.

"This agreement will strengthen the existing co-operation between AMAN and the DPD candidates," said H. Nazarius, one of AMAN's Council Co-ordinators, from West Kalimantan. "With this agreement AMAN will offer organisational support and work alongside the candidates if they are elected to the Regional Representatives Council, as indigenous peoples delegates."

For AMAN's Executive Secretary, Emil Kleden, the agreement is a form of political education for indigenous peoples. "Indigenous people should only vote for candidates who are willing to be supervised and even to be dismissed from their seat by the indigenous communities who elected them, through the *adat* judicial system as well as through the formal courts." AMAN has appealed to its members to examine closely candidates' past records on support for indigenous interests. "If organised groups like AMAN make political contracts which bind candidates to their promises, and the candidates abide by the contracts, then democracy in Indonesia can be consolidated," said Aa Sudirman, a senior journalist from the Indonesian daily, *Suara Pamburuan*, who signed

the co-operation agreement as a witness. (AMAN press release 26/Mar/2004)

## Aceh and West Papua

Aceh Papua Solidarity (SAP), a group which includes political activists from the democratic movement, said it rejected the results of the elections in Aceh and Papua because they were legally flawed and did not conform to the principles of democracy.

The Indonesia human rights campaign, Tapol, predicted that military operations in Aceh and West Papua would make a free and fair outcome of the elections impossible.

In Aceh the elections took place under conditions of martial law, imposed since May 2003. Around 2,000 people have been killed since then. Tapol also points to reports of villagers being forced to vote by the military and of dozens of people being arrested for refusing to leave their villages to vote. The *Jakarta Post* reported that thousands of members of a military-backed militia, called Aceh Separatist Resistance, were to assist police in guarding polling stations. Indonesian media reports said that people were screened by the military before being issued with voting cards.

Complaints of intimidation by members of GAM, the Free Aceh Movement, were also reported. Candidates critical of martial law were not allowed to stand. 21,000 extra troops were deployed to provide security for the elections.

British-supplied Scorpion tanks

were seen deployed close to polling stations, prompting Tapol to urge the British government to demand the immediate withdrawal of all British-supplied equipment from Aceh.

At a press conference at the offices of the human rights NGO, Kontras, in Jakarta, Aceh Papua Solidarity coordinator Arie Arianto said that in Central Aceh, Golkar had already marked their party on the ballot papers and the people arrived merely to witness the count. Thamrin Ananda from the Acehese People's Democratic Resistance Front (FPDRA) said Acehese participated in the elections to get their fingers marked with ink to show they had voted; if they didn't they would be considered GAM sympathisers.

In West Papua there has been increased military activity aimed at clamping down on independence activists and human rights defenders. In early April, police were reported to have shot dead an alleged supporter of the Free Papua Movement (OPM) who was trying to escape from police custody. He was arrested for encouraging a boycott of the elections.

Aceh Papua Solidarity reported that many polling stations in Papua had been burned down by the public - a sign that the Papuan people rejected the 2004 elections.

Acehese, West Papuans and people living in other regions are not permitted to form their own political parties under Indonesia's electoral system.

(Tapol press releases 5&6/Apr/04; *Indoleft News Service*, 13/Apr/04, translated by J. Balowski and circulated by Elsham News Service 20/Apr/2004;

Bachtiar calling for an end to repressive actions by the police. The NGOs also said they would send a lawyer to assist the evicted farmers.

In November 2003, a Manggarai student group (Siomama) staged a demonstration against the coffee clearing, by sending a coffin to Anton Bagul Dagur. They said this symbolised the death of ethics, sense of humanity and justice and the authorities' inability to come up with positive alternatives.

The *Bupati* told *Kompas* that the coffee-farmers' livelihoods had not been cut off and they would not be left to fend for themselves, but would be allowed to join the transmigration programme and development projects for the poor.

## Further arrests

The immediate consequences of the events of March 11 have been more arrests, not of the police officers who fired the shots, but of protesters charged with being involved in the incident.

General Da'i Bachtiar offered his condolences to the families of the dead and said police headquarters would send a fact-finding team to Ruteng. The district police chief was suspended and questioned by the national police team, along with several middle-ranking police officers. Provincial police chief Aritonang said that other officers would be questioned and insisted that the case would be investigated thoroughly, but no arrests have been made so far.

For civilians it was a different story. By March 16, fourteen people had been arrested. Deputy police spokesman Brig.Gen. Soenarko told reporters in Jakarta that ten

people had been caught carrying machetes during the incident. In mid-April the head of the Manggarai Peasants and Indigenous Peoples Union (SPMA) was reported to have been arrested, with an NGO leader expected to be detained next.

In April, the National Human Rights Commission (Komnas HAM) sent a fact-finding mission to investigate the shooting. Commission member Taheri Noor said the deaths of civilians indicated possible rights violations. The Manggarai diocese has also said it will investigate the incident.

(Source: *Kompas* 11&12/Mar/04, 14/Nov/03; Elsam Urgent Action 03/Elsam/III/2004; Press Release, Advocacy Team for the People of Manggarai (TARM) at [www.walhi.or.id](http://www.walhi.or.id); 19/Jul/2003; *Jakarta Post* 16&17/Mar/04; *Suara Pamburuan* 20/Jun/03; Update News TARM 28/Apr/04 and others)♦

## land

# Flores eviction protest ends in bloodshed

*Six people are reported dead after police fired on protesters at Ruteng, East Nusa Tenggara province. This is the tragic outcome of the local authorities' hard-line approach to clearing coffee growers from land designated as state-owned forest. The incident is the latest example of a concerted effort by the authorities to strengthen control over lands claimed by indigenous communities.*

Anger erupted into violence on March 10th, according to media reports, as around 500 farmers attacked the police station at Ruteng, Manggarai district. The Indonesian daily, *Kompas*, reported that the protesters arrived at the police station at around 9:30 in the morning. Armed with machetes, they destroyed the guard post, injuring the guard, then went inside, smashed all the windows and destroyed a computer. Next, they went to the police barracks, where the police opened fire, killing four protesters. Twenty eight more were wounded - two of these men later died and several others were in a critical condition. The police chief for East Nusa Tenggara province, Brigadier-General (Police) Edward Aritonang, said that the Ruteng police fired warning shots first, but the protesters ignored them. He accused 'provocateurs' of instigating the attack.

An NGO group - the Advocacy Team for the People of Manggarai - said the media reports were misleading because they were all based on the police's version of events. The Team called on the National Human Rights Commission to go to Ruteng immediately to gather the facts.

According to Elsam, a member of the NGO Team, around 400 farmers gathered at the police station for a peaceful protest to demand the release of seven of their fellow-farmers, 5 men and 2 women, who had been arrested the day before. Things became heated when members of the police started to block the protesters' way and the two sides started pushing and shoving each other. The police then started firing to disperse the crowd and the protesters ran in all directions to escape. The police then chased the protesters, beating and kicking them. Elsam says that five people were killed and 28 others wounded as a result of the police violence.

## Campaign of evictions and arrests

Behind the bloody incident of March 10, is the district authorities' campaign to clear local coffee-growers out of Meler Kuwus, an area which they claim is state-owned protection forest (*hutan lindung*). The official stated purpose is to start a reforestation programme. Over the past two years, this

campaign has involved mass evictions of coffee-growers from their land and homes and bringing in police, troops and outside labour to destroy large areas of coffee plantations - the basis of the local communities' livelihood.

An urgent action call issued by Elsam in March this year gives further details. In October 2002, the Manggarai *Bupati* (district head), Anton Bagul Dagur, signed an instruction (DK.522.11/1134/10/2002) which launched a year-long operation by joint security forces and the district authorities. This destroyed all productive crops belonging to local farmers. It also involved three operations to arrest and detain the farmers. The first of these was in May 2003, when 71 people were arrested in Mahima; followed by the arrest of 29 more the next month in Salama, Reok. The third round of arrests was on March 9th 2004, with the detention of the seven farmers at Ruteng police station.

According to provincial police chief Brig.Gen.Aritonang, a Manggarai Peasants Union meeting in February had rejected the clearance of coffee plantations and the district authorities' one-sided forest management policy. The meeting had criticised the district assembly (DPRD) for supporting the clearances and denounced assembly members who agreed to it. The local military, police and civilian authorities (*Muspida*) responded by deciding to visit the cleared area on March 9, to see the situation for themselves. On that day, said Aritonang, a lot of farmers were at the site claimed by the district government as protection forest, but the forest police only arrested seven of them, and handed them over to the Ruteng police.

Director of the NGO Bina Desa, Roman N. Lendong, who is from Manggarai district, said that the seven detainees had been reclaiming their customary land because the reforestation project promised by the local government, had not yet gone ahead.

The coffee plantations have long been established in the area - since colonial times, according to the villagers. Those destroyed by the local authorities were mature and productive, providing enough income for local people's daily needs and for their children's education.

In the 1970s, when the Suharto-era

forest classification system was established, the villagers were informed that their plantations and villages were on state forest land. A compromise was reached whereby the villagers contributed 60% of their production to the district government.

Now these people have been subjected to what one local NGO leader described as "a process of systematic impoverishment" at the hands of the district government. The district authorities appear to be determined to push ahead with clearing the area, whatever the consequences for the local population.

Erwin Usman from the environmental NGO WALHI questioned the district government's intention in spending Rp 2.6 billion on the reforestation project, agreed in May last year. "Is it really to save the forests?", he said, "or is this just a front for other plans?" WALHI suspects the local government may want to secure easy access to the area's mineral and forest wealth. According to Usman, the district government has already issued six logging licences (IPK) for the area.

Local government officials say they explained the situation to the local population during 2000 - 2001, told them about the risk of legal action against them for occupying state forest land and appealed to people to leave the area, destroy their own non-forest crops and demolish the huts or houses on the land. But the villagers' version of events is that one or two officials came to see the village head, collected some data and then left.

## Wrong approach

Local and national NGOs have strongly criticised the authorities' approach. Even if local people had encroached on a protected forest area, they argue, there is no justification for this inhumane action which violates human rights. Instead, local people should be involved in and benefit directly from reforestation activities. "These measures are foolish, destructive, and without basis in a legal decision," said Pius Hamid, director of the local NGO Sanarki.

The NGO Advocacy Team has written to national police chief General Da'i

(continued on page 4)

## mining

# Mining in protected forests - government gives way to mining industry pressure

*The government of President Megawati has caved in to pressure from international mining companies to allow open-pit mining in protected forests, paving the way for yet more forest destruction and marginalisation of forest-dependent communities.*

The go-ahead for mining in protected forests came on March 11, with a new Government Regulation in Lieu of Law (*Perpu*) No. 1/2004 on Changes to Law No. 41 of 1999 on Forestry. The regulation adds two extra paragraphs (83A and 83B) to the 1999 law. The first states that 'all permits or contracts related to mining in forest areas which were in existence before Forestry Law (No.41, 1999) are confirmed to remain valid until the intended end of the permit or contract.' The second says that further implementation of this will be determined by Presidential Decree.

The government has also stated that the President will issue a decree allowing thirteen companies to resume mining operations. According to co-ordinating minister for economics Dorodjatun Kuntara-Jakti, this is because these companies "have proven reserves that are economically viable." These include highly controversial projects such as Freeport McMoRan's gold and copper mining operation and BHP-Billiton's nickel mining venture on Gag Island, both in West Papua, and Newcrest's gold mining operation in North Maluku which saw the fatal shooting of a protester in January this year (see *DTE* 60:1). However, it seems a further nine companies will not be permitted to continue, because no viable reserves have been found in their concessions (see box for full list).

According to environment minister Nabel Makarim, the thirteen companies will be the last permitted to mine in protected areas - no more permits will be issued. Shortly after the *Perpu* was announced, Makarim argued that the government had no choice but issue the decree. If it had refused to allow these 13 companies to proceed, the government would have had to pay unaffordable amounts of compensation. A figure of up to US\$31.5 billion in compensation for breach of contracts has been cited.

Since the *Perpu* stipulates that all contracts preceding the 1999 forestry law should continue as intended, and the decision on which is subject to presidential decree, it cannot be ruled out that more than 13 concessions will be reopened. Altogether, 150

concessions are affected by the law. Since 1999, foreign companies - in some cases assisted by their governments - have been lobbying to get the law changed in their favour. A variable list of 22 companies has received priority treatment in the government's deliberations but, until now, the final decision has rested with the national parliament.

The *Perpu*, which came into force immediately, still needs parliamentary approval if it is not to lapse. Deputy Secretary of State for legal affairs Lambock V. Nahattands said the regulation would be submitted to parliament as a bill. According to one legislator, the parliament is unlikely to give its approval, because investigations, as required by House Commission VIII for Environmental Affairs, have not yet been completed. By issuing a *Perpu* Megawati's cabinet has bypassed the lengthy parliamentary deliberation of the mining in forests issue. The government is believed to have opted for the *Perpu* route, in order to push ahead with some kind of assurance to the mining industry before the presidential elections.

The forestry ministry, which has tried to stop mining in protected forests, has

said it cannot oppose the *Perpu*. However, ministry spokesman Bambang Soepijanto told the *Jakarta Post* he hoped that parliament would reject the regulation in response to the public outcry and media reports about the losses the country could suffer as a result. He urged forestry experts and NGOs to release findings that could help persuade members of parliament.

The industry has welcomed the announcement, but is calling for more clarity and more certainty, citing the fact that there has been no new mining exploration since 1999 and closure of older mines as reasons to boost investment to the maximum. The Indonesian Mining Association has urged the government to issue a presidential decree allowing mining in protected forests to back up the *Perpu*. The IMA's executive director, Paul Coutrier, said that it was the government's rightful decision to select companies, but warned that companies not permitted to resume operations may sue the government as they had strong grounds to do so.

PT Inco Indonesia, subsidiary of the Canadian mining giant Inco, has already said it plans to file a lawsuit with an arbitration court over *Perpu*. He hoped that lu

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which0.3T0(o)81.8hoped tgeliament.

year it was revealed that Australian embassy officials had, on at least nine occasions, lobbied Jakarta to allow mining in protected forests to be permitted (see DTE 58:3).

The Coalition also accused the Megawati government of violating the Constitution, which says that a *Perpu* may only be issued "in the event of a compelling emergency". (Two controversial *Perpu* on anti-terrorism were issued in the wake of the October 2002 Bali bombings.) The NGOs also argue that the content of the *Perpu* is flawed, and therefore does not actually lift the ban on open-pit mining in protected forests.

In a statement, the Coalition called on members of parliament not to approve the

regulation and urged the Megawati government to withdraw it. The group also called for the law enforcement authorities to immediately take legal action against companies which have proceeded with open-pit mining in protected forests.

### Implications

If the *Perpu* is implemented the impacts will be severe, according to NGO predictions. Even if Nabel Makarim is correct and only 13 companies will be permitted to resume operations, a huge area will be opened up to deforestation through mining. Apart from the mining operations themselves, the knock-on effects of mining, including access roads and settlements, plus the damaging impact of tailings disposal will also cause forest destruction. This is something that Indonesia can ill afford, with deforestation rates estimated at 3.8 million hectares per year; and with fatal floods, devastating landslides and crop-destroying droughts becoming more frequent as a result of forest loss.

One Indonesian organisation has attempted to put an economic price on the government's decision to allow mining in protected forests. Greenomics Indonesia estimates that Indonesia may lose at least Rp 70 trillion (around USD 8 billion) annually in environmental costs and declining regional revenues. The group's executive director, Elfian Effendi, said the environmental cost would be Rp 46.4 trillion (USD 5.4 bn) at the very least, calculated from the economic value of ecosystem services (water erosion, soil fertility) biodiversity and the costs of rivers destroyed by deforestation and sustainable use of non-forest timber products. A further Rp 23.1 trillion (USD 2.6 bn) was accounted for by the loss of over half of regional revenues in the agriculture, fisheries and trade sectors. The total cost was 70 times greater than the revenue generated by the mining sector, which amounted to Rp 1.07 trillion (USD 124 million) last year.

(Source: Peraturan Pemerintah Pengganti Undang Undang Republik Indonesia Nomor 1 Tahun 2004 tentang Perubahan Atas Undang-Undang Nomor 41 Tahun 1999 tentang Kehutanan, 11 Mar, 2004; *Indonesia's New Anti-Terrorism Law: Damned if you Do, Damned if you Don't*, by Tim Lindsey at <http://www.law.unimelb.edu.au/alc/wip/anti-terrorism.html>; *Miningindo* 24/Mar/04; Indonesian government decree doesn't alter ban on open-cut mining in protected forests, statement by WWF Indonesia, Indonesian Biodiversity Forum (Kehati), WALHI, JATAM and ICEL 15/Mar/04; *Jakarta Post* 16/Mar/04, 10, 13/Apr/04; *Australian Financial Review* 16/Mar/04; [www.jatam.org](http://www.jatam.org); *Asia Pulse/Antara* 19/Mar/04; JATAM 20/Apr/04).

### JATAM: Newmont campaign

The Mining Advocacy Network, JATAM, has issued a letter-writing appeal to support the victims of mining and submarine tailings disposal (STD) at Newmont Minahasa Raya's Ratatotok gold mine in North Sulawesi. The company is majority owned by the USA multinational, Newmont Corp.

The Sulawesi mine, which started production in 1996, is due to be closed in a matter of weeks, leaving local communities facing a health crisis as a result of STD.

"NMR's profits since 1999 have been \$1.3 million/day. By contrast, the communities of Buyat Bay and Ratatotok have been left impoverished by unfair compensation for their land (Rp250/m<sup>2</sup> or \$0.02) and a collapsed fishery caused by pollution."

On March 30, the communities staged a demonstration and submitted a statement to the company and the North Sulawesi provincial government demanding:

- ♦ Compensation for the people of Ratatotok for their land;
- ♦ Environmental rehabilitation in the villages of Ratatotok and Buyat Bay;
- ♦ Economic compensation for the loss of livelihoods suffered by the communities;
- ♦ Health services for these communities for the next 30 years.

The campaign calls for Newmont to be held accountable to the communities and calls for a ban on the use of STD in mining projects in Papua, North Halmahera, and internationally.

For more details of this campaign, contact [jatam@jatam.org](mailto:jatam@jatam.org) or see [www.jatam.org](http://www.jatam.org).

JATAM's letter-writing appeal is also on DTE's website at <http://dte.gn.apc.org/jatam03.htm>

(Source: *Support the victims of Newmont's Gold Mining and Submarine Tailings Disposal*, JATAM, 6/Apr/04).

### BHP Billiton on Gag Island

When contacted by the *Australian Financial Review*, a few days after the *Perpu* announcement, a spokesperson from BHP Billiton - developers of a proposed giant nickel mine on Gag Island, off West Papua - said that the company had not yet been notified of the decision and had no plans at this stage to recommence work at the site. The company has already spent about US\$45 million and has been lobbying the government to let mining go ahead. According to the *Review*, a resumption of the project would be lucrative for the company because world nickel prices are at a 10-year high and few new projects are being developed.

### The approved list

Note: The source for this list is *Miningindo Weekly e-Newsletter* 04-11, March 2004. However, since Inco is included in the 'approved' list, but has also been reported as saying it will sue the government for not being permitted to go ahead with mining, this list may not be 100% reliable. Other media reports said the names of the companies approved had not been made available.

#### Approved:

1. PT Freeport Indonesia
2. Karimun Granit
3. Inco
4. Indominco Mandiri
5. Antam (Buli-Mahit)
6. PT Natarang Mining
7. Nusa Halmahera Minerals
8. Pelsart Tambang Kencana
9. Interex Sacra Raya
10. Weda Bay Nickel
11. Gag Nikel
12. Sorikmas Mining
13. Antam (Bh Bulu Sultra)

#### Not approved

14. PT Newmont Nusa Tenggara
15. Sungai Kencana
16. Irja Eastern Mining
17. Kalimantan Surya Kencana
18. Nabire Bakti Mining
19. Dairi Prima Mineral
20. Newmont Horas Nauli
21. Maruwai Coal
22. Sumbawa Timur Mining

Not mentioned in the list is Citra Palu Minerals, a company controlled by Rio Tinto and in the process of being sold to Australia's Newcrest. The sale is conditional on permission to carry out open-pit mining. The concession overlaps with a Forest Park and indigenous lands in Central Sulawesi, where mining on strongly opposed by local people and local politicians - see DTE 56:14)

The IMA's Paul Coutrier said the mine would benefit the island's 600 strong population, because BHP-Billiton would need to build a harbour, new roads and other infrastructure. However, NGOs believe the environmental price would far outweigh the benefits. Mining would threaten livelihood resources on this small island and pollute the surrounding waters. Gag is part of the Raja Ampat archipelago, which is being considered for World Heritage Site status due to its uniquely rich marine biodiversity. Last June, UNESCO expressed concern about mining to the Indonesian parliament. BHP-Billiton is proposing to dump tailings from the mine in the sea - a method known as Submarine Tailings Disposal, which is banned in many countries (see also box on Newmont campaign, p.7).

(Source *Australian Financial Review* 16/Mar/04; DTE 58:3)

### Newcrest in Maluku

Reacting to news of the *Perpu*, Newcrest's Peter Reeve said the regulation had cleared up a lot of confusion which had slowed progress and caused additional expenses. Cited by *The Australian*, he said that despite the forestry law, Newcrest had always had full permission to run the open-pit Toguraci gold mine on Halmahera Island, North Maluku.

But, according to Indonesian mining and forestry officials, this is not the case. In an earlier edition of *The Australian*, officials said the company did not have permission to start mining, only to explore and develop the site up to the point of mining. The newspaper report says that mining operations had been going on for several weeks.

Local community representatives and supporting NGOs say that Newcrest has

### Women and Mining conference 2004

The Third International Conference on 'Women and Mining' will take place in October this year in Visakhapatnam, India. For more information contact [rimm@zuper.net](mailto:rimm@zuper.net). The report of the second conference, which was held in Bolivia in 2000, is available from RIMM at the same address. (Source: RIMM 7th newsletter, received 22/Mar/04)

**Pit Women and Others: Women Miners in Asia Pacific countries** is a one-day workshop on 2 July, 2004 at the Australian National University to draw attention to gender in labour questions in the Asian and Pacific mines. Contact: Kuntala Lahiri-Dutt at [kuntala@coombs.anu.edu.au](mailto:kuntala@coombs.anu.edu.au)

## More deaths at Java gold mine

*Reports surrounding the deaths of 13 unauthorised miners at the Pongkor gold mine, West Java, indicate how poverty, corruption and inhumane security methods may be contributing to the high death toll.*

The underground Pongkor gold mine in Nanggung district, near Bogor, is operated by state-owned mining company PT Aneka Tambang. The thirteen men, plus one company employee, died of asphyxiation after their mining tunnels were filled with smoke. Reports quote survivors as saying that security guards set fire to tyres to try to smoke out the illegal miners. One report said that fumes leaked into another tunnel where authorised miners were working, killing one employee and causing others to pass out. The company denies the allegations of deliberate burning, blaming the illegal miners themselves for the fires.

The safety record at the Pongkor mine is appalling. By the company's own admission, at least 257 illegal gold miners died in accidents at the mine over the last seven years. The worst incident was in 1997 when a landslide killed at least 141 people.

The unauthorised miners, living in nearby villages, are reported to come mostly from outside the immediate area - some of them from outside Java. According to the company, these men work in groups organised by local leaders in Nanggung.

Aneka Tambang's Iwan Irawan said the mine's presence had changed the local

livelihood from farming to gold mining, commenting that the villagers had led "consumer-driven lifestyles" ever since. But other reports state that poverty, particularly since the start of the economic crisis in 1997, is driving the miners to enter the highly risky business of illegal mining.

One woman told the *Jakarta Post* that her husband - one of the miners killed in the March incident - had often not eaten anything for days at a time while mining. A friend of the woman's husband, described how the illegal miners dig 'rat holes' to get into the mining tunnels. The miners risked beatings from security guards, even after paying bribes to get into the mine. "They beat us if we don't pay, and even if we do pay they still beat us...But they always play dumb when accidents like this happen. To them we are nothing but a swarm of rats."

The company denies that its security guards accept bribes, and points to its community development efforts in neighbouring villages.

(Source: *Jakarta Post* 11, 19/Mar/04; *Miningindo* 10 & 24/Mar/04)♦

illegally extended its permit to mine at Gosowong to nearby Toguraci, although these are two separate locations.

This is the mine, where in January this year Indonesian special forces police (*Brimob*) opened fire on protesters who had occupied the minesite. Their requests for compensation had been rejected by the

Newcrest subsidiary PT Halmahera Minerals. One person was shot dead and others wounded in the incident (see full report in DTE 60:1).

(Source: *The Australian*, 16/Mar/04 & 24/Feb/2004, DTE 60:1)♦

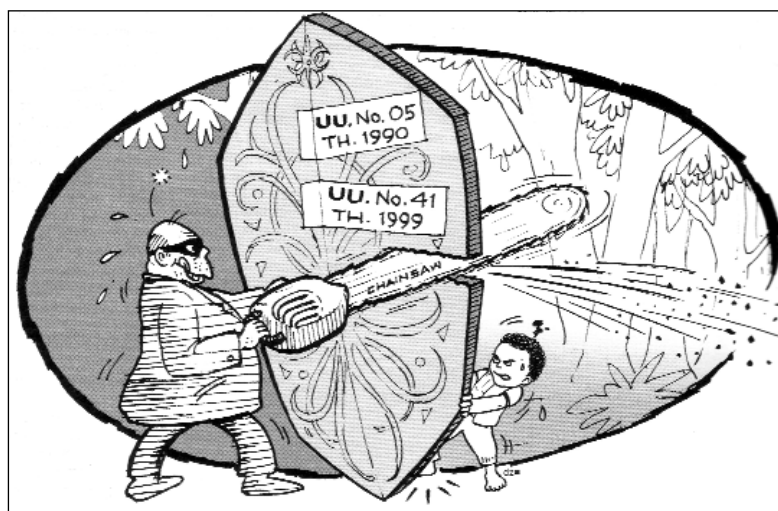


Illustration from *Mengapa Kawasan Lindung Boleh Ditambang?* - a publication produced by the Alliance to Reject Changing the Function of Protected Areas for Mining.



# Protesters blockade Australian coal mine

*Local people, supported by an indigenous organisation, disrupted the coal-mining operations of Australian-owned PT Bahari Cakrawala Sebuku in February, to protest against the impacts of mining on the island of Sebuku, off South Kalimantan.*

The February protest, which involved local people supported by the South Kalimantan Indigenous People's Union (PERMADA) and local NGOs, blocked a mining road at the Sebuku coal mine. The mine is operated by PT Bahari Cakrawala Sebuku, a company 80% owned by Australia's Straits Resources Limited\*. This was the latest in a series of disruptions, starting December last year. A December 12th blockade by hundreds of local people lasted 6 hours.

The protests prompted a heavy-handed response from the security forces. By mid-February around 200 special forces police (*Brimob*) and military personnel were on Sebuku island, creating a climate of intimidation in which community leaders eventually agreed to accept compensation.

An NGO coalition supporting the communities criticised this approach, in which police and local government officials negotiated on behalf of the company. Local community leader Abidin Thaher told local newspaper *Radar Banjarmasin* that, under pressure from police and local government officials, the villagers had accepted Rp 900 million (around US\$105,000) in compensation. He said there were many outstanding issues including transparency of community development funds; reclamation of mining areas not yet carried out by BCS; pollution; promised infrastructure development; compensation for land taken by BCS; and the problem of tailings disposal at the mine, which was endangering the community.

Berry Nahidin Furqan of the NGO Coalition for Sebuku said he would take the company to court, and demand an environmental audit of the company's operations.

JATAM stated that BCS is strongly suspected of violating a number of Indonesian laws including the 1999 regional autonomy law, the 2000 law on small islands, the 1990 conservation law and the 1999 forestry law, which prohibits open-pit mining in protected areas.

Straits Resources blamed the disruption on a "non-resident Dayak group who are seeking improper and illegal payments from the company". A statement on the company's website said it had a long history of compliance with its environmental and community obligations and that there were "currently no complaints against the

company by the Government or community".

However, a detailed report by mining advocacy network JATAM gives a different view. This describes how the company's mining operations have polluted the land, water courses and coastal environment, leading to a drastic decline in local fisheries. It says that the company has cleared an area of mangroves and altered the course of three rivers. Ninety percent of the island's population of 4,900 depends upon fisheries for their livelihood.

Mining by BCS, plus two iron ore mines on the island, is putting pressure on the island's limited water resources, leaving inadequate amounts for local people, says JATAM. People in Kanibungan and Sekapung villages have started experiencing shortages of water needed for household use.

In 2001 the company changed the course of the Matangkarang River - a fishing ground used by the people of Sarakaman village. In 2002, BCS changed the course of the Kanibungan River. The following year, 63 Kanibungan villagers issued a statement rejecting mining in their areas, including in the river watershed. In October 2003, Abidin Thaher, from Kanibungan village, wrote an open letter to the *Banjarmasin Post*, entitled "PT BCS is destroying the environment in our village". The company responded by denying the accusations and threatened to sue for libel.

## Nature reserve

BCS secured its mining concession of 11,980 hectares - covering more than half of Sebuku Island - in 1994. Coal mining started in 1998 with production reaching a total of 8,296,000 tonnes in the 1998-2002 period, most of which was exported. The concession included community-owned rubber plantations, farm land, gardens and residential sites.

It also included the 6,650 hectare Sebuku Straits nature reserve. A forestry ministry decree issued in 1998 converted this nature reserve into an area of production forest, with the aim of permitting mining to go ahead. The following year this area of mangrove forest was cleared for mining, under a lend lease arrangement with the forestry department. Along with the mangroves, the breeding ground for shrimp and fish was lost - a further blow to local livelihoods.

\*Straits Resources is in the process of buying the notorious Indo Muro Kencana gold mine in Central Kalimantan from fellow-Australian company, Aurora Gold. This mine has a long, violent history of conflict with local communities (see *DTE* 52).

(Source: *Kerebok* Dec/03 Vol5/40; JATAM: Infosheet *PT. BCS & Penghancuran Pulau Sebuku* at [www.jatam.org](http://www.jatam.org); *Radar Banjarmasin* 17/Feb/04, 2/Mar/04; Straits Resources ASX Announcement 19&24/Feb/04 at [www.straits.com.au](http://www.straits.com.au))

## Open letter

In February, JATAM and 52 other Indonesian civil society organisations sent an open letter to President Megawati, members of the Indonesian government, parliament and South Kalimantan authorities, in support of the local community and PERMADA.

The letter, which was copied to Australian prime minister John Howard, sets out the problems caused by BCS's mining operations, accuses the company of breaking Indonesian laws, and explains how the community tried non-confrontational approaches before resorting to blockades.

The letter urges the local and provincial police authorities on Sebuku and in the provincial capital, Banjarmasin, to refrain from any violent action which would spur 'open conflict'. It urges BCS immediately to resolve all problems faced by the community and stop its 'sly' efforts to settle things by using intimidation, violence or arrests.

The organisations also press the Australian government not to lobby the Indonesian government, which would make the situation on Sebuku worse, as happened in the case of Nusa Halmahera Minerals/Newcrest in North Maluku. (See *DTE* 60:1 for details of the shooting incident at this mine, in January 2004, which left one person dead).♦

## Aceh / indigenous rights

# Indigenous activist arrested

*Bestari Raden, a well-known environmentalist and indigenous activist, was arrested by the military in Aceh in March, while on a government mission to review the controversial Ladia Galaska road scheme.*

Military personnel from the 0108 Southeast Aceh District Command (Kodim) arrested Bestari Raden on March 23rd. After being held at the military command in Kutacane, where he was interrogated by the command's intelligence chief, Bestari was handed over to the Southeast Aceh police at Tapak Tuan. He remained under arrest at the time of writing.

Environmentalists and human rights activists in Indonesia and internationally condemned Bestari's detention. The environment group WALHI issued an urgent action appeal, calling for his release and stating that the arrest had violated Indonesian and international laws. Amnesty International also issued an alert. It is feared that the arrest signals a widening of the clamp-down by the security forces against members of civil society organisations in the war-torn territory. Human rights defenders and humanitarian workers have been targeted over recent months.

When arrested, Bestari Raden was

According to the Indonesian NGO network for forest conservation (SKEPHI), the extent of the corruption surrounding the Ladia Galaska project is an open secret in Aceh. The police, military and local political elite are deeply involved in illegal logging activities within the Leuser Ecosystem.

Deforestation in Aceh as a whole has reached 270,000 hectares a year, according to offigurln illegal loggiri is wetoutsiin

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acting in his capacity as a member of a government team assigned to review sections of the controversial Ladia Galaska road project. The team's membership and activities, which were set up under a joint agreement by the forestry, environment and settlement and infrastructure ministers, had already been approved by the military authorities. The 500 km Ladia Galaska road, currently under construction and strongly opposed by NGOs, cuts through the 2.6 million hectare Leuser Ecosystem - one of the world's richest areas of tropical rainforest (see DTE 60:16; 58:2 & 55:17 for background). On the day of his arrest, Bestari and the team had just completed their task of observing the Blangkejeran-Pinding-Lokop section of the road.

### Charges

Bestari was arrested on charges of organising a referendum on Aceh's political status in the Tapak Tuan area and being behind a 1999 incident in which a logging base camp owned by PT Medan Remaja Timber was burned down. Bestari has denied these charges, saying that at the time of the PT MRT incident, he was attending the first congress of the Alliance of Indigenous Peoples of the Archipelago (AMAN). Press reports also said Bestari was arrested on suspicion of being acting commander of GAM (Free Aceh Movement) for the Tapak Tuan area - a charge refuted by GAM.

Torture and ill treatment are routine in military and police custody in Aceh. Bestari has been held in police custody in the territory on three previous occasions and was badly beaten up on at least one of these. His family have also suffered threats and intimidation. He has, in effect, been forced to live outside Aceh - in Jakarta - for the last four years.

The real reason for his arrest this time is believed to be connected to Bestari's campaign against deforestation in Aceh and the Ladia Galaska road project itself. Bestari is a well-known outspoken figure in the indigenous peoples and environmental movements. From 2001 - 2003 he served as Co-ordinator on AMAN's Council for the western region, covering Java and Sumatra. Last year he was invited to advise the government working group on the National Forests and Land Rehabilitation Movement

announced in March last year. In 2004 he played an active part in bringing together a coalition of NGOs working for the environment and for democracy in an umbrella organisation called the Environmental Caucus, of which he is co-ordinator.

Aceh's forests are used by both



## forests

## Forests in transition

*A recent visit by DTE staff to South Sumatra illustrates the realities of Indonesia's deforestation and the tensions between local communities and the authorities over the use of 'forest lands' in a rapidly changing environment.*

"Why are you going to South Sumatra to find out about sustainable forest use? There is no forest there!", said people in Jakarta. Even in the provincial capital, Palembang, staff at the South Sumatra branch of the environmental NGO WALHI were gloomy. Director, Aidil Fitri, argues that South Sumatra is a prime example of the need for a logging moratorium in Indonesia to allow space to develop a new paradigm of forest management. By 2001, only 4.4 million hectares of forest remained in this 11.3 million ha province, and more than half of it was in a 'critical condition', according to official forestry department data. Nearly 2 million ha of this was, on paper, classified as production forest.

As recently as twenty years ago, large areas of Sumatra were covered by dense lowland forest. The predictions of a World Bank report in early 2000 - that lowland forests in Sumatra had, at best, 5 years of commercial production left - have proved all too true in this province. Overlogging by timber companies, forest fires, agricultural expansion, transmigration, conversion to plantations, coal mining and land speculation have all played their part. In addition, as in other areas, supervision of timber companies' activities has been woefully inadequate and there has been far too little replanting.

Today much of South Sumatra's forest has been converted into scrub and - increasingly - palm oil plantations. This is hardly surprising since palm oil prices have more than doubled to around US\$550 per tonne since 2001 and are still rising. Furthermore, the lowlands of Sumatra are a particularly attractive option for Malaysian plantation companies as land and labour costs are much lower than in neighbouring Malaysia. Local people too are keen to cash in on the boom. They are clearing the remnants of forest, after logging companies, entrepreneurs from nearby cities and forest fires have taken their toll, in order to set up their own small-scale plantations. Indonesia's crude palm oil (CPO) production is expected to increase from 9.9 million tons in 2003 to 10.4 million tons in 2004, according to the Indonesian Palm Oil Producers Association (GAPKI).

Local nature conservation officials are worried because much of South Sumatra's timber now comes from protected areas. There has been much publicity about 'illegal logging' in the mangrove swamp forest

of Berbak-Sembilang National Park on South Sumatra's east coast and in Kerinci Seblat National Park in the mountainous west of the province. It is all too easy to take illegally felled timber down river and out to Malaysia through small, unofficial ports. Plantation companies developing crops other than oil palm are also causing deforestation. For example, on Gunung Gempo in the Bukit Barisan range, a tea plantation owned by a Java-based company is gradually extending its tea plantation higher and higher up what were once the forested slopes of the mountain.



*Illegal loggers, South Sumatra*

(DTE)

### A new paradigm?

The pace of change is alarmingly rapid. Yet Indonesia's forestry officials and logging companies have been very slow to adapt to a new and more complex reality. Vested commercial interests and Indonesia's well-entrenched systems of patronage and corruption are only part of the story. Generations of foresters have been trained on a model of forestry that is increasingly outdated in Indonesia: a model based on logging large concessions of rainforest containing many valuable species of tropical hardwoods. But now, in western Indonesia, there are few locations left where there are at least 100,000 hectares of mature forest available to commercial operations. Local communities are demanding their rights. 'Illegal logging' is taking place on a massive scale.

Some radical forestry experts predict that - at best - the majority of

Indonesia's forests will become a mosaic of agricultural land, heavily modified forests and small-scale plantations. Agroforestry provides a realistic alternative to large-scale commercial plantations or extensive tracts of 'critical land'. NGO activists are working to help local communities reclaim land where forests are badly degraded, or have been replaced by coarse *alang-alang* grassland. Conservationists inevitably point out that biodiversity is much lower than in mature forest. But other Indonesian environmentalists argue that agroforests can fulfil many of the ecological functions of rainforest (such as protecting soils and maintaining water cycles) and, crucially, provide food security for communities who once lived in and around forests.

The district of Musi Banyuasin is an appropriate place to examine these new realities. Extending up to the northern border with Jambi, it is the richest *kabupaten* (district) in South Sumatra due mainly to its abundant coal, natural gas and oil reserves. Even so, there are still areas of real poverty. The most obvious examples are where transmigration sites were located in places unsuitable for Javanese-style agriculture - such as swamp forest. Unable to afford to return to Java and embarrassed by the stigma of failure, landless settlers turned to illegal logging and prostitution as their only means of making a living.

### Changing cultures

This central part of Sumatra has a troubled past. Villagers tell how their forefathers left Palembang and fled to the hinterland during the Dutch colonial era. It became a stronghold of the PRRI/Permesta uprising during the 1950s, where some local people fought against Jakarta and the Indonesian army for the newly founded nation to become a federation rather than a republic. In the 1970s and '80s, many transmigration sites were opened up and there was an influx of settlers from Java - both on the government programme and 'spontaneous migrants'. In addition, many local communities were forced to relocate to make way for transmigration sites and logging operations. The result is an intricate patchwork of different communities, each with its own patterns of land use and social relations. Villagers are commonly from several different ethnic groups and people's history in the area may only go back one or

two generations.

The group hardest hit by the arrival of new settlers and the conversion of forest to plantations, agriculture and neglected grasslands are the indigenous Orang Rimbo, known as the 'Kubu' by other communities. These people have, until recently, followed a lifestyle which is highly dependent on the forests. Traditionally, they do not live in villages or farm, but set up temporary settlements wherever the hunting is good and there are plentiful supplies of forest fruits and vegetables. They hunt deer and wild pigs with dogs, shooting their prey with blowpipes, and also fish in forest rivers - often using extracts of tubers to stun their catches. As they tend to live on the forest margins, the Orang Rimbo often come into contact with village communities but - apart from matches to make fire or cigarettes - they want little from the outsiders except to continue their way of life in their customary forests.

Late at night in a roadside house on the way to Jambi, Pak Nur talks sympathetically of the 'Kubu'. Now a sprightly man in his 70s, he worked in many remote areas of central Sumatra as a medical orderly for transmigration sites. He tells how a government Social Department project to settle nearby Orang Rimbo in the late 1970s failed because local officials tried to exploit them as unpaid labour to clear the forests. Now they have all left the area. Most moved up to Jambi; a few still live in the traditional way along the River Bengukal. However, he believes that the majority of local people in Musi Banyuasin were probably derived from various groups of these indigenous peoples who had, over several generations, formed settlements and taken up farming. They now call themselves *pribumi* (native) rather than 'Kubu' as they want to separate their identity from people whom the authorities stereotype as dirty, uneducated, isolated tribes.

### Lack of adat

The high degree of ethnic mixing, the introduction of formal education plus the standard village administrative system imposed by the Soeharto regime from 1974 have combined to reduce greatly the importance of *adat* (customary) law and practices in everyday life in most communities in Musi Banyuasin. *Adat* is now largely restricted to people's cultural history, the genealogy of families, and some social norms.

Few villagers we met had any experience of customary laws governing land use or decision-making today. Local people told how their fathers and grandfathers used to live by a mixture of logging, collecting forest products such as rattan, resins and honey, and fishing. If someone wanted to clear forest, he would seek permission from the

village head or customary leader (usually one and the same). Parts of the forest were set aside for the future as *hutan larangan* (prohibited forest). Cultivated land belonged to whoever cleared it first. Villagers could farm areas of cleared forest for a year or so, before moving on in a fifty year rotational cycle. "We did not look after the forest. There was so much of it and so few people. But now it is different, especially since the fires... The forest reserved for the future is now no more than coarse grassland....It was the fires,



South Sumatra forest farmers (DTE)

logging and the need for land", said one community leader.

Pak Nur and his son told us how: "There used to be lots of logging companies, like Asia Log, but they cut down the forest without replanting it afterwards. Companies such as LonSum, which were given permits to clear conversion forest to set up plantations, actually operated in areas designated production forest and cut down huge commercially valuable trees. Smaller trees were discarded as waste wood and left lying around where they became tinder for forest fires (*umpan api*). The 1997 fires were terrible. People suffered from the smoke for months. Sometimes it was difficult to breathe and hard to see where you were going, but people had to go out and carry on with their normal lives as best they could. But the worst time came after the fires. The rains washed the ashes of the forest into the streams which people drank from and many people suffered from diarrhoea and vomiting... There are still fires every year, but the worst of these are where illegal loggers burn to clear trails so they can get trucks in to access what forest remains."

### A free-for-all

An increasing population striving to make a living on a reducing resource is a formula for ecological and social disaster. An environmental activist working in Musi Banyuasin estimates that around half the local community still depends on logging - legal and illegal - and has done so for decades. They have little education, no land to cultivate and no farming skills. "You see fifteen year-olds,

with a clove cigarette in the mouth, expertly handling chainsaws," said Aris, "But, as the forests dwindle and there is less work, things are getting more and more difficult for these people. They will stab each other in the back in order to get enough to live". He estimated that there were more than 100 sawmills in the immediate area, apparently all owned by 'outsiders' such as people from Jakarta, ethnic Chinese and even Taiwanese.

Now that the majority of production forest has been stripped of its most valuable timber and fires have damaged what remained, loggers have turned to protected areas. 'Illegal logging' in the province is increasing year on year. Official figures show 42,000 cubic metres of timber were seized in 2002, compared with only 16,000 m<sup>3</sup> in 2001, but these only represent a fraction of the unofficial timber trade. According to Aidil Fitri, WALHI South Sumatra's director, "most cases are settled outside the law". This causes continued forest destruction and degradation as well as billions of rupiah in lost revenues for local and central governments. Dulhadi, head of South Sumatra's Conservation and Natural Resources Office (BKSDA), says that the only protected areas where any big forests trees remain are Dangku and Bentayan nature reserves, in Musi Banyuasin district - both problematic localities.

The 31,732 ha Dangku reserve was established during the 1980s, but is now a focus of conflict with local communities. Transmigrants from the nearby Berlian Jaya site, settlers from another part of the district now living in Pangkalan Tungkal village and indigenous farmers of Lubuk Nyaru are all encroaching on the reserve because they have no other land to farm. They have little idea which companies have got concessions to operate in the area or where these are - and they no longer care. In 1997 and 1999 forest fires destroyed much of their native rubber plantations. This area, and more besides, has been taken over by the palm oil company, Bumi Sawit Sejati.

The head of the community at Simpang Empat openly admitted that most of the 1,500 inhabitants now depended on *kerja balok* (logging) for a living. "We are trapped because we can't get permission to use the forest legally. Companies can get permits, but we can't. There's no land for us. The forestry department controls it all and we're not allowed to touch it... But the forestry officials don't stop other people from coming in and taking timber. They didn't look after the forest. So we have started to cut down the trees too. If the government gave us another alternative, we would take it. But we have nothing except 'illegal logging' and we must eat."

The business is not making them rich. These villagers live from hand to mouth. They have no savings and struggle to send

their children to elementary school (nominally free) because of the cost of books, uniforms and additional monthly fees. Almost all food must be bought in. The *adat* leader was pessimistic about the possibilities of reviving customary law to control natural resource use. Only 30% of the community were truly local; the rest had come from neighbouring Lampung or Java - some as long ago as the 1940s - due to plantations and the oil companies.

At Bentayan, local people are vigorously contesting the exact location of the 19,300 ha nature reserve. Some 2,000 families located in three villages argue that, far from occupying state land, it is local officials who are behaving irresponsibly and even illegally. They say that the nature reserve was established on their lands without consultation. While they accept the need for forest conservation, and particularly watershed protection, they are angry that the boundaries of the reserve do not follow the line on the map. Instead, forestry staff simply put the marker posts along the roadside several kilometres away.

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destroying operations were exposed by a Friends of the Earth campaign in 2001. A US company, Office Depot, suspended sales of the APP supplies in January this year and Japanese customers have in the past threatened to terminate contracts. APP sells around 20,000 tons of photocopy paper to Japan per month - about 25% of its total sales.

WWF signed an agreement with APP in August last year, which gave the company 6 months to draft a plan to ensure that its pulpwood came from sustainable sources. The 12 year Sustainability Action Plan was also supposed to ensure legality of wood supplies, the resolution of land disputes with local communities and the conservation of forests of high social and environmental significance. When the six months was up in February, WWF announced it was pulling out of the agreement because APP had not adequately addressed the issues of protection of forests with high conservation value; use of third party mediators in social conflicts and long-term sustainability.

APP had agreed to set aside 70,000 hectares of its concession as a protected forest, but still planned to cut 178,000 hectares of natural forests over the next two years. An APP spokeswoman said a moratorium on felling natural forests was impossible because the company needed to clear natural forests in order to expand its plantations.

WWF is calling on APP customers and creditors to put pressure on the company to improve immediately its action plan, and to "review their business relations if APP fails to do this".

This means that land used for many generations - as shown by long-established fruit trees like duren, manggis and cempedak - is now claimed as a protected area from which they are legally excluded. Ironically, the government has provided a primary school within the contested area. (It does not help that the protected area straddles two administrative districts and co-ordination between the authorities is poor.) Villagers have written to the local conservation office, land affairs agency and the governor. Last September they sent a letter to forestry minister Prakosa, explaining their position, but there has been no response. They are now planning demonstrations at provincial and national levels.

A common theme is that the introduction of roads - mainly for the construction and maintenance of oil and gas pipelines - have been a major agent of change. The main eastern road between the provincial capitals Palembang and Jambi dates back to the Dutch era, but from the 1950s until 1988 it was mainly a dirt road. New dirt roads branch left and right off this - some hardened

to give an all weather surface. These have been made during the last decade: most recently for the Trans-ASEAN gas pipeline. Timber is flooding out of Dangku and Bentayan reserves - all of it illegal. There is a thriving local industry in supplying and repairing small lorries with heavy lifting gear. Up to 50 trucks per day - each carrying around 8 cubic metres of timber - pass along just one of these feeder roads at the end of the wet season. In the dry season, there are many more. And, late in the afternoon, the truckers queue on the main road at the local nature conservation office to pay their unofficial levies.

## Replanting or reclaiming?

"Now we are replanting the forest", said a woman from Gresik Belido - a scattered collection of houses about 20km off the main road. What they call forest looks like a sea of elephant grass with a few burnt skeletons of giant forest trees and some shrubby thickets along stream beds. The nearest mature forest (Bentayan nature reserve) is several

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Last year, the New York-based group, Human Rights Watch, singled out APP in a January report linking paper and pulp companies to human rights abuses against local people (see <http://www.hrw.org>).

APP is controlled by the Widjaya family, which rose to economic prominence during the Suharto era. It is the biggest paper producer in Asia outside Japan and tenth biggest in the world. Its subsidiaries include Indah Kiat, Tjiwi Kimia, Pindo Deli, APP China and others in Indonesia, China, Singapore and India. (Source: *Dow Jones* 20/Feb/04; *Financial Times* 20/Feb/04; *AP* 20/Feb/04; [http://www.wwf.org.uk/news/n\\_0000001126.asp](http://www.wwf.org.uk/news/n_0000001126.asp); *DTE* 56:4; see *DTE* 52:14 or <http://dte.gn.apc.org/52plp.htm> for more background on APP.)♦

## Students hunger strike against nuclear power plant

Thirteen students from Madura's Trunojoyo University staged a hunger strike in April to protest against the planned construction of a nuclear power plant on Madura and the involvement of the university's lecturers in a joint study with Indonesia's nuclear power agency BATAN.

In 2001, Indonesia reached an agreement with South Korea to build the plant in Ketapang, Sampang district, in 2015. The USD200 million project is managed by BATAN and the Korean Electric Power Company.

In February this year, BATAN announced that work on a separate project at Muria in Central Java would begin soon (see *DTE* 60:16 or <http://dte.gn.apc.org/60BRF.htm>). (Source:

*Jakarta Post* 26/Apr/04. See also *DTE* 57:16 or <http://dte.gn.apc.org/brf.htm> for more background).♦

## Irish parliamentarians support UN review on Papua

A majority of Irish parliamentarians (TDs) from all political parties has endorsed an international campaign calling on the United Nations to review its role in the "Act of Free Choice" in West Papua. In the 1969 vote, dubbed by critics the "Act of No Choice", 1,022 handpicked Papuan elders were intimidated or bribed into choosing to join the Indonesian Republic.

Visiting Dublin, Papuan human rights campaigner John Rumbiak said "Irish politicians can be proud they are taking a lead in Europe on this issue, and we hope that this will act as a catalyst to mobilise support internationally...".

In February, Archbishop Desmond Tutu also called on the UN to act on West Papua - see *DTE* 60:16 or <http://dte.gn.apc.org/60BRF.htm>. (*Irish Times*, 26/Apr/04; forwarded by West Papua Action, Dublin, [wpaction@iol.ie](mailto:wpaction@iol.ie))

See <http://westpapuaaction.buz.org/unreview/index.htm> for more on the UN Review campaign).♦



## In brief...

### Military will continue to guard 'vital projects'

Indonesian military personnel will continue to maintain a 'third ring' of security around large oil, gas and mining installations during a transition period before the police take over. Minister for Energy and Mineral Resources, Purnomo Yugiantoro, said the government would issue a decree setting out a 3-layer security system, consisting of internal security guards, local residents and military and police personnel.

The move is designed to reassure foreign investors, many of whom have been put off by concerns about security.

Up to now the military (TNI) and police - including the notorious special forces police, *Brimob* - have guarded oil, gas and mining companies. They claim they have a legal obligation to do so, if these are classified as 'vital assets' or 'vital projects'. Mining companies have been criticised by human rights organisations and shareholders for paying the military and police for protection, when these guards are often involved in serious human rights abuses against the local population. Violations by military guards at Freeport/Rio Tinto's huge West Papua gold mine have been well documented. Last year, the US/UK company was forced to admit last year that it had paid over USD 11 million over two years to its military security guards. The exposure is believed to have contributed to an apparent u-turn by the military leadership on the issue of protecting vital projects: in November 2003 TNI commander General Endriartono said he wanted to withdraw troops from guarding such sites.

The new measure will delay this withdrawal for the next year or two, according to Purnomo. "President Megawati Soekarnoputri has agreed to keep the military in the third ring during this transition period," he said.

But with TNI beyond central government control in Aceh and West Papua, and local military commanders accustomed

to receiving large sums for security services to companies, it is difficult to see how the military and police will be pushed back to the 'third ring'. It is more likely they will want to maintain a more prominent and more profitable position. (Source: *Jakarta Post* 1/Mar/04; *Miningindo* 1/Mar/04. See *DTE* 57:1 and 59:3 for more background.)♦

### Emergency decree on illegal logging

Forestry Minister Muhammad Prakosa has said the government will issue a new regulation in lieu of a law (*Perpu*) to combat forest destruction. "Efforts to stop illegal logging have been hampered by inadequate laws that cannot provide a fast solution or proper punishments to the culprits", he said in March. The *Perpu* will enable suspected illegal loggers to be tried immediately after arrest, and confiscation of vehicles, boats used to transport illegally felled timber. "All parties involved in illegal logging are considered forest terrorists. That is why the punishments should match those for terrorism", he said.

Ironically, another *Perpu*, signed the president the same month will lead to more forest destruction, by allowing mining in protected forests - see page 6.

It remains to be seen whether the illegal logging *Perpu* will be able to help prevent the rapid disappearance of Indonesia's once vast rainforests - currently estimated at 3.8 million hectares per year. WALHI reckons that state losses caused by illegal logging have reached USD 1-3.5 billion per year, based on the assumption that 60-80% of the 70 million cubic metres of wood needed by the wood processing industry was stolen. Illegal exports of logs to Malaysia, China, Vietnam and India had reached 10 million cubic metres a year, with smuggling from West Papua alone reaching 600,000 m<sup>3</sup> per month, says the group.

For years, Indonesian civil society organisations have called for a fundamental change in the way the country's forests are managed, including restoring customary rights over forests to indigenous peoples. WALHI

### Questionnaire results

Many thanks to our readers who returned questionnaires sent with *DTE* 59. There were 55 respondents, with comments for and against retaining the printed version of the newsletter, plus a lot of useful suggestions.

Given the large number of people who do look at the printed version (in libraries, NGO training centres etc) we have decided to continue the printed version of the *DTE* newsletter for now.

If, however, you would like to be taken off the printed mailing list and be transferred to the email (rtf) list, please email us at [dte@gn.apc.org](mailto:dte@gn.apc.org). This will reduce printing and mailing costs.

wants an immediate logging moratorium, to prevent further destruction while the fundamentals are hammered out. However, the issue of land tenure reform was pushed aside by the Indonesian cabinet in favour of a high-profile, donor-driven campaign against illegal logging - a campaign which has failed so far to make any meaningful impact. (*Jakarta Post* 12/Mar/04; *Antara* 12/Apr/04)♦

### WWF drops APP

The World Wide Fund for Nature (WWF) has withdrawn from a controversial collaboration with Indonesia's biggest pulp and paper company, the debt-ridden conglomerate APP (Asia Pulp and Paper). APP's operations in Sumatra have destroyed rainforests and absorbed illegally-felled timber from outside its concessions. The company's products were boycotted by major UK paper suppliers after its forest-

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