



# DTE

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

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This edition of DTE has a special focus on oil palm, in advance of RSPO III, November 2005 see pages 5 to 8

office: 59 Athenlay Rd, London SE15 3EN, England, email: dte@gn.apc.org tel/fax: +44 16977 46266 website: http://dte.gn.apc.org

## Oil palm expansion will bring more conflicts

*Indonesia has announced plans for the world's biggest oil palm plantation, as part of its bid to become the No.1 global producer of palm oil by the end of the decade. Indonesian civil society organisations are warning that the massive expansion of this internationally traded commodity will impoverish more local communities and destroy yet more forests.*

The stage is set for an intensification of conflicts over land and resources in Indonesia as President Susilo Bambang Yudhoyono's government pushes ahead with oil palm expansion. One focus of attention is the border between Kalimantan and Malaysia, where the world's largest integrated plantation and processing facilities are planned. According to agriculture minister, Anton Apriyantono, quoted in the *Jakarta Post* in July, more than 500,000 workers will be employed under the project, which will cost around Rp5.5 trillion (US\$567million) over the next five years and is projected to start producing palm oil after 2010\*.

It may be no coincidence that 2010 is the year that Indonesia plans to overtake Malaysia, which accounts for around half of global palm oil production. Indonesia's current expansion plans range between 6 and 20 million ha across the archipelago, depending on sources. The total existing planted area in 2004 was 5.3 million ha, according to government figures. Indonesian NGO Sawit Watch is calling for more efficiency from existing plantations rather than further expansion (see also p.5).

Both central and local governments are looking to oil palm as a major foreign exchange earner. Yudhoyono's government is continuing with his predecessor's policy to encourage foreign investment in internationally marketable goods in order to service the country's huge foreign debt. The policy prioritises the interests of big business - foreign and Indonesian - over community-based development, and ignores government legislation aimed at protecting natural resources. A new regulation on compulsory land purchase may well be used to hasten the expansion of oil palm (see p.13).

### Security and illegal logging

The government links oil palm development in the border region to border security, poverty reduction, regional development and the campaign to stop illegal logging and timber smuggling. However, there is concern that more large-scale plantation development will bring more of the same problems brought by existing schemes. These include conflicts over land - sometimes involving violence against people opposing land acquisition; resource poverty, denial of rights and livelihood destruction for indigenous communities; deforestation and forest fires; pollution; indebtedness and poor conditions for plantation labourers.

Visiting West Kalimantan in June, President Yudhoyono said plantations would be developed along with roads with security and check-points to prevent theft, illegal border crossers and insecurity. He said "...tens or even hundreds of thousands of people could be employed in the border areas".

Environmentalists have exposed massive-scale smuggling of logs across the Kalimantan-Malaysia border as well as from West Papua, which flouts a government export ban, drives destructive logging and destroys local indigenous communities' livelihoods (see DTE 65:12 for more on the Papua case).

Rather than curb deforestation, opening plantations is likely to mean more forest cleared, providing more timber for the illegal cross-border trade. More roads would enable further logging in non-plantation areas, while more security-checks along the roads could simply increase the opportunities for security personnel to levy unofficial taxes.

The idea that the plantations will

promote national security seem especially ironic, given that, according to Sawit Watch, Malaysian companies and investors already have a stake in over half of all Indonesia's oil palm estates and are likely to be the main investors in the expansion.

The announcement that hundreds of thousands of people will get work on the plantations is also worrying - reminiscent of the pronouncements of the Suharto-era transmigration schemes that uprooted families from Java, Bali and Madura to work for exploitative companies on the 'outer islands'. (Source: JP 23/Jun/05, 17/Jul/05; DTE 63:16)

This edition of DTE focuses on oil palm plantations from the perspective of local communities, the environment, and the attempt to identify "best practice" in the industry. DTE hopes that this publication will inform discussions at the meeting of the Roundtable on Sustainable Palm Oil in November (see pages 5-8) as well as wider debates on land and development. ♦

\*Tempo Interaktif (28/6) says 107,000 jobs and puts the plantation area at 241,000 ha oil palm and rubber.

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## oil palm / indigenous peoples

# Indigenous peoples oppose oil palm in West Kalimantan

*Indigenous peoples' organisations are raising awareness of the negative impacts of large-scale plantations among their communities in West Kalimantan - a move that challenges powerful government and business interests.*

A March meeting of indigenous communities from West Kalimantan discussed the downside of the provincial government's plan for a massive expansion in oil palm plantations. The gathering of around 300 people was called by the province's indigenous peoples' alliance (AMA Kalbar) to celebrate Indigenous Peoples' Day (*Hari Masyarakat Adat Nusantara*), but also to discuss political participation by indigenous communities, oil palm plantations development and the recognition of indigenous resource rights.

According to research by WALHI (Friends of the Earth Indonesia) West Kalimantan, 3.5 million hectares of land has been earmarked for oil palm plantation development in West Kalimantan (around 24% of the province's total land area) and two million ha of plantations are planned close to the border between East and West Kalimantan. Sixty-six companies have already secured licences for oil palm plantations, covering over 2 million ha. More licences are in the pipeline, including projects covering 240,000 ha in Sintang district (12 companies); 14,000 ha in Landak, Bengkawang and Pontianak districts (for state-owned plantation company PTPN XIII, using the new "KSK" model - see box p.3), and 304,500 ha in Ketapang district (4 new licences).

WALHI points to research by the Japanese International Cooperation Agency (JICA) which recommended five years ago that only 1 million ha of West Kalimantan be converted to oil palm plantations, in order to maintain an ecological balance in the province.

WALHI told participants at the Pontianak meeting what they could expect from the different stages of commercial oil palm development, based on the industry's record in the province.

At the land acquisition stage, communities may face intimidation and be forced to hand over their land because it is classified as "state-owned land"\*; they may receive misleading information about how oil palm will bring them prosperity; the company is likely to make a lot of promises and bring along alcohol (*arak*) to assist in negotiations; and the allocation of oil palm plots on land relinquished by communities may be grossly unfair.

At the land clearing stage, community rubber trees may be deliberately burned; crops are bulldozed during the day or at night and then the community is expected to negotiate with the company; the company may sub-contract land clearing; and the communities will have to take on burdensome credit repayments. (In one operation, by a company named as PT MPE, credit repayments amounted to 30% crude

palm oil production each month on credit of Rp11.4 million - Rp30 million per oil palm plot.

At the nursery stage, communities may find that newcomers get better deals than local people (for example, newcomers may get housing); labourers get low wages; and pesticides which are potential pollutants may be used.

Next, there may be long postponements to receiving their allotted land and signing the credit agreements (WALHI lists three companies - PT MPE, PT Bonti and PT HSL - where there has been an eight year delay). The plots allocated to local people may be difficult to access, and roads badly maintained. Some people who have handed over as much as 7.5 ha of land have not been allocated any land for oil palm cultivation whatsoever in return.

When the oil palms start producing, the plot-owning farmers cannot determine the price of the crude palm oil they sell; the farmers are not in complete control of how much they sell per month; and they are burdened by debt. Prices of CPO have fluctuated wildly. For example, in 1998-1999 the price was Rp175/kg; in early 2004 it was Rp750/kg and at the end of 2005 Rp614/kg.

In the post-production phase, past experience shows that farmers lose their livelihoods and land reclamation costs are high. Small rivers begin to dry up and there are other ecological impacts: floods in towns, outbreaks of locust/grasshopper pests, plus shortages of drinking water in many places.

WALHI West Kalimantan concludes that oil palm plantations cause conflicts over land, credit, sales of seedlings and labour. All decision-making is in the hands of the company - recruitment of labour, land required and fixing prices for palm oil. Monoculture oil palm plantations also lead to ecological imbalances like drought, floods and pest attacks.

*\*Despite some recent progress in the recognition of indigenous peoples' customary rights, in practice, many indigenous-owned areas both inside and outside forests are administered as if they were state-owned land.*



Company sign at oil palm plantation, Jambi

(DTE)

## Indigenous peoples' experiences

At the March meeting in Pontianak, there was support for oil palm plantation development from a number of participants, including a community representative from a remote area who described how oil palm estates would bring in a much-needed road long before the government got around to it.

However, others stressed the damaging impacts of oil palm development, including the negative effects on indigenous Dayak life. Gambling, prostitution, pregnancy outside marriage and alcohol were all associated with oil palm development. Several participants stressed how oil palm may, on the surface, seem to bring in more money, but that the cultural and environmental costs were high. Oil palm schemes brought a loss of decision-making power and made actual living costs higher. Oil palm cultivation does not allow traditional intercropping (*tumpang sari*) methods, as does rubber for example - the crop traditionally cultivated by farmers in the region. *Tumpang sari* involves planting vegetables and other crops together with the main crop, but the dense root system of oil palms and their heavy shade prevent this. This means families must buy vegetables, fruit and other forest products, no longer available after conversion to oil palm, thereby increasing family expenditure.

One woman participant expressed concern over these limitations, and the special implications for women's domestic role. "If the rivers dry up, where will we fish?" she asked. A member of the national NGO monitoring oil palm, Sawit Watch, told the participants how women tended to suffer more from the pesticides used on plantations, since they were typically given the job of spraying even when women are more vulnerable to the chemicals than men.

(Source: *Sawit: Jalan Menuju Tanah Tertindas*, Yohanes RJ, WALHI Kalbar, Pontianak 16/Mar/05; DTE meeting report)♦



## The KSK 'family' plantation model

Many large-scale palm oil plantations in Indonesia are run on the nucleus estate/smallholder model (*PIR*), where the company develops the 'nucleus' plantation and processing plant while the smallholders develop the 'plasma' area and sell their produce to feed the processing plant. The model was combined with the notorious state-sponsored transmigration programme during the 1980s and 1990s to ensure a cheap labour supply. These imported labourers, along with local people whose lands were taken for the plantations, received in return regulation housing, a 2 hectare plot for growing oil palm and subsistence supplies on credit until their oil palms came into production.

More recent variants of the *PIR* model are the various 'co-operative' schemes (*KKPA*), where communities who have given up their land to plantation companies receive subsistence level support for around 4 years until the oil palms start fruiting (see *DTE* 63: 16 and our 2001 update on transmigration at <http://dte.gn.apc.org/ctrans.htm> for more background).

In West Kalimantan, another new model was proposed in 2004 by the provincial government, called *Kebun Sawit Keluarga* (*KSK*) - 'Family Oil Palm Plantations'. The campaign to promote *KSK* has emphasised the prosperity angle: the programme is to be managed 'by the people for the people'.

West Kalimantan's Indigenous Peoples' Alliance (*AMA Kalbar*), which has met the state-owned plantation company introducing the scheme, *PTPN XIII*, to find out more about it, concludes that *KSK* is a ploy to expand large-scale oil palm plantations. It is a rehashed version of the old-style nucleus estate/smallholder model, but with more damaging consequences for farmers. This, says *AMA Kalbar*, is because the farmers take on all the costs and the company takes on none. Seedling preparation, fertiliser, planting, land clearing, transportation, road-building - all is done by the community, while the operating company gets the crude palm oil harvest without having to spend anything on transport and infrastructure.

According to *AMA Kalbar*'s report of the meeting with plantation staff, in the Bengkayang district, the state reforestation fund has been earmarked for buying oil palm seedlings, which are currently in short supply.

*AMA Kalbar* believes that *KSK* has been designed to address *PTPN XIII*'s internal problems, associated with its need for more land, its failure to secure loans from the World Bank and the fact that its current plantations have passed their productive stage, bringing a drop in profits. This has led the company to come up with a way of securing more crude palm oil without having to pay for additional operational and production costs.

### Lawsuit

An *AMA Kalbar* press release, calling on all its members to reject *KSK*, and for an investigation into a potential misuse of reforestation funds in Bengkayang, prompted threats of a lawsuit from the head of the *KSK* cooperative in February. The alliance received threatening phone calls, ostensibly on behalf of pro-*KSK* farmers, and, several days later, an anti-*AMA Kalbar* demonstration was staged outside the alliance's office, during which a member of staff was told she would be killed if she went to the villages.

*AMA Kalbar* has responded to three police summonses after being accused of damaging the good name of the *KSK* cooperative, but so far there has been no further action on the case. Meanwhile, the *KSK* plans are moving ahead.

(Source *AMA Kalbar: Kronologis Kasus Gugatan Koperasi Kebun Sawit Keluarga (KKSK) terhadap Aliansi Masyarakat Adat Kalimantan Barat*, 2005)♦



Threatened by *KSK* oil palm, villagers in Niut, West Kalimantan. (DTE)

## Gunung Nuit - a community rejects oil palm plantations

An unprecedented gathering of communities from seven Dayak groups has rejected exploitation which disadvantages indigenous communities, including large oil palm plantations and gold mining. The statement was issued in May, at a 3-day meeting of villagers from the remote Niut mountains, in Landak and Bengkayang districts of West Kalimantan.

The area is the customary land of the Semambang, Sebiak, Busuti, Sepadakng, Kemayo, Entoro and Soong indigenous Dayak groups. A large part of Niut is primary forest, providing water for the towns of Ngabang and Bengkayang. There are no roads and access to the area is time-consuming and costly.

Research by the West Kalimantan NGO, PENA, shows that Niut is a potential target for oil palm plantations developed under state-owned plantation company PTPN XIII's new "family" KSK model (see box, previous page). In addition, the Landak district government has already issued 3 oil palm licences to operate in Serimbu sub-district. These represent another threat to forest conservation and the livelihoods of the indigenous peoples of Niut.

May's meeting in Parek village in the Niut mountains, followed previous smaller workshops held by PENA with different communities in the region, aimed at raising awareness of the threats of large-scale oil palm development. The May meeting was organised and managed by the communities themselves - villages supplied rice and chickens to feed the participants - with fundraising assistance from



Analysing problems, planning actions, Niut May 2005

(DTE)

PENA. The meeting was attended by local men, women and children, plus local and national NGOs and indigenous peoples' organisations. It was preceded by an *adat* ceremony to ask the earth spirits to grant a successful meeting that would benefit the host village of Parek (see picture). It was the first time their ritual objects had been used for around thirty years, when Christianity was introduced into the village.

In addition to the threats posed by oil palm development, the meeting identified eight other problems faced by the Niut villagers, including lack of self-confidence; drunkenness, karaoke and corruption; conflicts between adopted (Christian) and customary beliefs (*adat*); the lack of clear definition of customary land/resources boundaries; difficulties in marketing produce due to poor infrastructure; no financial institutions to manage cash; and new national legislation on compulsory land purchasing (*Perpres 36/2005* - see also p.13). This last problem was raised by Emil Kleden from AMAN, the Alliance of Indigenous Peoples of the Archipelago, who led one of the meeting's sessions.

A nine-point agreement drawn up at the meeting, *Sembilan Mupakat Niut*, set out the community's determination to reject destructive development; to demand recognition of their *adat* rights and direct, fair negotiations with outside parties wishing to conduct non-destructive resource use. It agreed to demand that the district governments in Landak and Bengkayang provide education and health facilities, roads, bridges and electricity to develop the community's economic potential in the Niut mountains. The community also agreed it would conduct participative mapping to safeguard security and sustainability of natural resources, and that it would set up a credit union.

(Source: DTE meeting report, *Sembilan Mupakat Niut*, May 2005)♦

*"We don't want to be continually in a marginalised, insecure and poor. Because of this we are going to struggle together towards sovereignty over our natural resources, towards educated and critical human resources to achieve self-sufficiency and prosperity."*

(*Sembilan Mupakat Niut*, Niut agreement, May 2005)



Dayaks from the Niut area conduct an *adat* ceremony to request a successful meeting, May 2005 (DTE)

# The RSPO as a tool in the struggle for justice

*The following is an English translation of an Indonesian article compiled from a DTE interview with Rudy Lumuru, Executive Director of Sawit Watch, the Indonesian NGO network on palm oil.*

Indonesia has oil palm plantations extending over 6,059,441 hectares<sup>1</sup> of land and is the world's second largest producer of crude palm oil (CPO) after Malaysia. This plantation area is set to increase, in line with the government policy of opening investment opportunities in the sector. In 2004, Sawit Watch noted that the total extent of land allocated to increasing oil palm plantations in Indonesia is 19,840,000 hectares, located in provinces on the islands of Sumatra, Kalimantan, Sulawesi and Papua.

The large-scale oil palm plantation system practised in Indonesia disadvantages local and indigenous communities, by removing community land rights, denuding the forests and introducing monocultures. This shuts off access for forest-dwellers and communities living close to forests and prevents them cultivating fields (*berladang*), planting perennial tree crops and collecting forest products.

Sawit Watch is trying to build a movement with communities to stop the expansion of large-scale oil palm plantations. This is not anti-oil palm itself, but is against the large-scale system. Companies operating these large-scale plantations should not focus on expanding the extent of their concessions, but should make better use of the land they already control in order to increase output.

## Why the RSPO?

As an organisation that highlights the negative impacts of Indonesia's large-scale oil palm plantations, Sawit Watch wants to adopt an influential political position in order to change a system which is damaging for so many people, especially communities living in and around forests.

The Second Sawit Watch Members Forum, from 26-28 September 2004, recommended that Sawit Watch participates in the Roundtable on Sustainable Palm Oil (RSPO)<sup>2</sup>, and currently Sawit Watch is one of the 'stakeholders' in the Criteria Working Group (CWG).

The RSPO is a formal instrument which can be used to convey directly to parties involved in the problems of oil palm plantations in Indonesia, the situation of communities working and living in areas where the large-scale plantations are located. It can also inform them that the current system used by large-scale plantation operators negates community rights and is far

removed from principles of justice.

Sawit Watch considers that the RSPO can be a concrete means of driving processes to resolve the social problems and the violations of human rights which follow the development of plantations. By being actively involved in drafting criteria, Sawit Watch is pushing for changes to the existing plantation system to drive it in a more just and humane direction.

## Raising awareness and benefits for communities

Sawit Watch is actively raising awareness about the results of the RSPO. In every village meeting or other gathering, Sawit Watch informs people about developments in the RSPO. It also does this through its newsletter, *Tandan Sawit*.

There has been a varied response to involvement in the RSPO from the Sawit Watch network. Some consider that by joining the RSPO, Sawit Watch will weaken the struggle, because most of the RSPO participants are from the palm oil industry, meaning that Sawit Watch's presence will legitimise the current large-scale plantation system. There are also those who consider involvement in the RSPO as a good strategy for influencing the pro-investor policy of the Indonesian government.

If the question was asked now, what is the impact or benefit of Sawit Watch's involvement in the RSPO, of course it could not be explained as something visible and measurable. One result of Sawit Watch's involvement in the RSPO is that several communities have met and have been able to convey directly to the companies the problems caused by large-scale oil palm plantations in their areas.

## Sawit Watch's strategy for the RSPO

At the first RSPO in Malaysia, Sawit Watch explained the general problems resulting from oil palm plantations in Indonesia.

At RSPO II in Jakarta, Sawit Watch showed examples of how oil palm-related problems have been resolved; how companies lack the will to resolve problems over land, and how the government fails to focus on resolving existing problems.

At RSPO III, which will take place in Singapore, Sawit Watch is going to present the results of research being conducted now into 'Green Palm Oil', which, it is hoped, will give a clear picture to all stakeholders of the conditions and the model of management required in Indonesian oil palm plantations to create sustainable oil palm management.

(Source: Rudy Lumuru, Executive Director, Sawit Watch; 'Wajah baru kolonialisme itu system perkebunan besar', *Tandan Sawit* Vol 2, 2005; 'Forum Anggota Sawit Watch: Dari Jaringan ke Perkumpulan', *Tandan Sawit* Vol 2, 2004.)

Sawit Watch website: [www.sawitwatch.or.id](http://www.sawitwatch.or.id)

1) Sawit Watch data 2004. [Accurate official figures for the total area planted with or zoned for oil palm plantations are not available, so estimates presented in this issue of DTE vary according to the source.]

2) The Roundtable on Sustainable Palm Oil, an industry-dominated voluntary body, was set up by the palm oil industry and World Wide Fund for Nature (WWF) partly in response to NGO charges that oil palm plantations destroy forests and impoverish local communities - see also DTE 63:16.♦



*Indigenous participants at meeting to discuss oil palm and other threats, Niut, West Kalimantan, May 2005. (DTE)*

# The RSPO - towards "sustainable palm oil"?

## Interview with Marcus Colchester

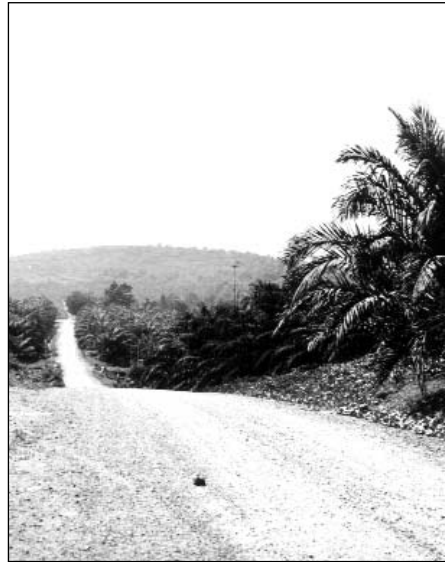
Marcus Colchester is Director of the international NGO, Forest Peoples Programme, and a member of DTE's management committee. He has participated with Indonesian NGO, Sawit Watch, in the Roundtable on Sustainable Palm Oil (RSPO) as a member of its Criteria Working Group. This is a formal committee of the RSPO with the task of developing criteria and guidance on standards for sustainable palm oil and advising on the means by which claims to sustainable palm oil can be verified.

*How did you get involved in the Criteria Working Group (CWG) and what is your role?*

A group of Dutch NGOs asked me to volunteer to help advise Sawit Watch on the social aspects of RSPO standard-setting. I was flattered but also a bit sceptical, as the RSPO is industry-dominated and, I feared, likely to be used to legitimate further palm oil expansion. Frankly, the idea that palm oil plantations can be made 'sustainable' seems a bit far-fetched to me. Not even the FSC claims that for certified logging. However, I have always had a very high opinion of Sawit Watch, which also has close links with the World Rainforest Movement, and once I met up with Rudy and Norman of Sawit Watch in Bogor and discussed their strategy, I was persuaded that the RSPO was a valuable way of opening up political space for Indonesian civil society groups concerned about the impacts of palm oil. So I was 'co-opted' onto the CWG as Sawit Watch's alternate and have been able to make technical inputs to the committee.

*What do you, as an NGO participant, hope that this process will achieve?*

I think we can hope for: better transparency about the whole palm oil sector and quite good 'best practice' standards which may not only be used by the RSPO in formal certification but which can also be used to demand appropriate practice by palm oil companies in general. Many of the standards we are advocating can and should be adhered to in other tree crop and plantations schemes too. It would be nice to think that the process could stop companies destroying forests and valuable ecosystems and trashing people. That would be to expect too much of the RSPO by itself but,



*Oil palm plantation, Central Kalimantan (DTE)*

hopefully, at least it can contribute to a wider campaign with those objectives.

*What have been the main achievements so far?*

At the risk of sounding immodest, I think the main social protections in the draft standards are pretty good. In sum, the draft standard requires: legality; a just and transparent land acquisition process; respect for customary rights; free, prior and informed consent; respect for workers' rights; non-discrimination; fair prices for smallholders; proper health and safety and so on. The environmental safeguards need firming up quite a lot though. Apart from the standard-setting, RSPO in general has helped to focus attention on the problems caused by oil palm. It has also helped sharpen up industry and NGO thinking about all the issues.

*What have been the main blockages, or where has there been less progress?*

I would like to note that, in general, the Board, committee members and secretariat have been very open and accommodating to most of our inputs. But yes, there are some significant blockages. For a start, the standard does not yet suit small-holders; they have not been directly involved, though we have been calling for that. Translations of the draft standard into Bahasa Indonesia, French and Spanish are still not available, though we have been demanding that for nearly a year now. This means that

Francophone Africa and Latin America are being left out, as well as civil society organisations in Indonesia and Malaysia for whom English is not a working language. In view of this problem and to improve our communication with our own 'constituencies', as NGOs we have set up a bilingual Bahasa Indonesia/ English site for web based discussions but this does not substitute for official translations ([www.ngorelay.org](http://www.ngorelay.org)).

Also, we got no support at the CWG in our call for the standard to ban GMOs. I was surprised about this as, if RSPO could say its products are GMO-free, they would have a major market advantage over other oils like soya, in Europe, at least, where consumers mistrust GMOs. There also a number of issues yet to be addressed properly, although at least they are on the 'radar', including: how to develop 'national interpretations' so that the standard suits local realities and laws; how to ensure credible and independent 'audits' - verification or certification - of those claiming to be RSPO-worthy; how to ensure a strong 'chain of custody'. I mean how on earth can we develop a credible system to stop companies cheating by bulking up oil sourced from 'RSPO growers' with oil from less scrupulous sources?

Another major dilemma, where we feel our voice is not yet being heeded enough, is about the role of government. RSPO presents itself as 'B2B' - a business-to-business venture - linking growers with discerning markets. In other words the standard is to be voluntary and not mandatory. The trouble is that a heck of a lot of the standard refers to issues that are really the government's responsibility like: labour standards, land registers, laws respecting community land rights, land use planning processes - the list is a long one. I expect the RSPO is going to ignore our words of caution and push through with its voluntary approach. But I predict it will not be long after that before mills and growers come squawking back to the RSPO complaining that they can't meet the standard because so much of the compliance requires governments to change the way they are doing things. Hopefully, this will encourage the industry to then pressure the government to reform currently inadequate laws, policies and procedures.

*You've been involved in drafting the principles and criteria for sustainable palm oil - at what stage are these now? Do you expect them to be adopted, as planned by the RSPO at the next Roundtable meeting?*

That will largely depend on the comments received on the second draft. The standard will also be reviewed at a number of public fora organised by the secretariat. If the overall reaction is favourable, then it won't be hard for the CWG to have a 'final' draft ready for approval by the third Roundtable which will meet in Singapore in November. The board certainly has the target of approving the standard at that meeting. I got the feeling at the second roundtable that we were already pretty near agreement.

*You have previously alluded to the fact that the CWG is dominated by industry interests and excludes any direct representation of indigenous peoples, smallholders or trades unions. Has there been any progress towards resolving this problem?*

Well, to be fair to the RSPO, it is also true that, as far as I know, no indigenous peoples, smallholders or trades unions have yet been pressing for a seat on the board or the Criteria Working Group. In fact, a place on the board for smallholders remains vacant. But, as a result of our demand for smallholder participation in consultations and standards development, the Board now seems to have agreed to our idea to set up a 'Task Force on Smallholders' which would have the job of ensuring that the standard could be adapted to suit their (very varied) circumstances. I doubt a credible set of criteria suited to smallholders can be shaped by November, however, much less September - the date of the next CWG. We will probably have to accept that criteria adapted to smallholder realities will need quite a bit of consultation and refinement, maybe for adoption in 2006. The real puzzle is how much responsibility should buyers and mills bear for smallholder management. It's tricky ground: on the one hand, the farmers should be free to sell their fruits to whom they wish (this gives them much better leverage in getting a fair price), but, if they have that freedom, then you can't also demand that buyers or mills take responsibility for how smallholders operate.

*How far might the standard be used to protect indigenous customary (adat) land rights in Indonesia, where state recognition of customary tenure is very weak? The draft social criteria include provisions requiring palm oil producers to have a demonstrable right to use the land where the land is not legitimately contested. How far might this help indigenous peoples whose lands are targeted by oil palm developers?*

At this moment I am half way through a field project carried out in collaboration with Indonesian NGOs and land tenure experts, examining exactly this issue to see how well suited the draft standard is to local realities in Indonesia. At this stage, my *initial impression* is - careful now, this is not our final word - I say my *impression* is that the requirements - for legality, respecting customary rights and for free, prior and informed consent and so on - can, if they are applied rigorously, offer significant protections to communities or offer room for much better negotiations with companies. It means, crucially, that communities should have the right to say 'No'.

What we find is that indigenous peoples and farmers are agreeing to land sales or to become part of out-grower schemes even within *adat* areas, but currently these deals are being struck in very dubious or unfair ways. Farmers are being cheated out of their lands through false promises, as much as through intimidation and manipulation, and the main thing people we have interviewed are demanding is transparency in the deals. In theory, the RSPO standards require this. Now, how far the standards would get applied in practice is another matter. It will depend on how well they are enforced and on whether the standards ever become mandatory, as well as how strong communities or farmers can be in negotiations.

There is a tension here between ensuring strong protections and ensuring that indigenous peoples and farmers have the freedom to decide what happens on their lands. What we have tried to do is get the standard to ensure that they can make free and informed choices. That does also

mean accepting that communities or farmers may make mistakes or make choices we think are imprudent. We also find that indigenous peoples are themselves choosing not to be represented through their customary institutions in making deals.

As NGOs, you might say our slogan is: 'Paine not Plato!' I mean we are asserting a rights-based approach, in line with the principle of self-determination, not the imposition of well-intentioned pre-planned outcomes. As you know, 'the road to hell is paved with good intentions'.

*Taking the industry as a whole, from producers to suppliers, retailers and so on, how much influence does the RSPO have at the moment? Is this mostly dependent on market sensitivities in the consumer countries?*

Yes, given that RSPO is sticking to a voluntary approach, the main leverage for change will come through the market in Europe, which at the moment is taking about 40% of SE Asian production. So this is quite a major chunk of the market and should have some leverage. But this is likely to lessen. The western European market is said to be quite stable. The new growth in demand for edible oils - set to double over the next 20 years according to commodity people - will come from China, India and Eastern Europe, where consumer awareness is not so high. There is a real risk that RSPO palm oil will go to Europe, while the unacceptable palm oil from further expansion in forests or from already stolen lands will go to these other markets.

On the other hand, RSPO does include some major companies which also market all over the world, like Unilever, as well as major producer associations in Malaysia and Indonesia. They will not want to



Plantation worker, Jambi, 2005

(DTE)

be out-competed by pirate operators selling illegal palm oil to Asia and so on. So the RSPO may have more clout than at first appears.

A shorter, and perhaps more honest, answer is: frankly, I am not sure.

*Sawit Watch and FPP have called for international standards to be applied by palm oil producers, through the criteria. What are the key international standards and laws that are relevant to the industry?*

We have listed human rights laws, ILO conventions, and international laws and standards on pesticides and chemicals. The full list of all these laws is now a part of the 'guidance' in the draft standard but many of the key points in the international laws are also incorporated into the criteria themselves. Or at least that is what we have tried to ensure.

*What does the RSPO offer to smallholders, consisting in Indonesia of both private small scale growers and farmers involved in (often exploitative) corporate or state-run PIR or nucleus estate/smallholder schemes?*

Well, as I have noted, the current (draft) standard just requires fair prices, whatever they are, while the associated guidance notes refer to the need to adapt these standards

to smallholder realities - so this is 'work in progress' and to be successful needs many other people to get involved. A problem is that there are not many credible smallholder associations in Indonesia with good 'representation' and the capacity to engage in an international forum like the RSPO. My impression, by the way, is that a lot of the state-run PIR schemes have now been privatised but still do have exploitative regimes.

*Do you think all NGOs should join the RSPO?*

Not at all. Nor do I think all NGOs share a view about it. It would be a bit scary if they did. For a start local situations vary a lot. In some countries oil palm has not yet got an entry and it may be tactical to 'say no to palm oil' rather than seeming to accept it by joining the RSPO. In Indonesia, on the other hand, there are millions of people growing palm oil or working in estates and mills and another million Indonesians - I am not sure if anyone has an accurate figure - working on plantations in Malaysia. With something like another 6 million hectares already slated for expansion in Indonesia, in regional land use plans, the option of saying 'no to palm oil' at national level is a bit ostrich-like. What suits one country or one NGO may not suit another.

In fact, if all the NGOs took only one approach we would lose leverage. The 'hard cop, soft cop' approach is a tried and tested strategy and no less effective for being well-known!

Finally, how can concerned members of the public, in Indonesia or internationally, convey their views to the RSPO?

Although by the time you publish this, the official comments period on the second draft of the standard will have closed (on 25th July), I think comments sent to the secretariat will not be ignored especially if they are sent in soon. (Or else people can copy or send comments to me (marcus@forestpeoples.org) and to Sawit Watch and we can try to take these issues into account at the next CWG meeting.)

But I think it is also very important that we, as NGOs, don't focus all our efforts on the RSPO itself. The sector is huge and working through the RSPO is only one way of trying to sort it out. Also, this kind of work with standard-setting and monitoring compliance is very time-consuming. NGOs need to weigh up the merits of putting their slender time and resources into market-based reforms. Best results are likely to come from us all adopting a diversity of approaches. ♦

(continued from page 15)

even within the same CoW licence area. For example Newcrest's Nusa Halmahera Minerals was required to complete an EIA in 2003 for the Toguraci gold mine just a few kilometres from their previously licensed Goswong mine, despite the two mines sharing the one CoW and even the same processing plant. Clearly, licences for exploration and exploitation are not combined under this system (see DTE 60:1 for more on Newcrest).

The outcome is that, at the very least, six companies of the 13 listed in the Presidential Decree are prohibited from open-pit mining in protected forests. These are Emil Salim's list of six companies which was explicitly accepted by the Constitutional Court as not having reached the exploitation stage: Weda Bay Nickel (Canada), Gag Nickel (BHP Billiton - UK/Australia), Pelsart Tambang Kencana (Australia), Aneka Tambang (Indonesia), Sorikmas Mining (Australia), and Interex Sacra Raya (Indonesia). It seems that the true list of companies permitted to proceed with mines in protected areas should be shorter still, since most companies of the 13 listed in the Presidential Decree did not hold exploitation permits for protected forest areas before 1999. (For example, Newcrest's Toguraci Protected Forest EIA is dated 2003).

## Other cases

The disappointment over the court's decision was heightened just days later when a judicial review of the Water Resources Law failed, albeit with two of nine Constitutional Court judges dissenting from the majority decision. The case was lodged by environmental NGO WALHI and others as part of efforts to oppose the privatisation of Indonesia's water resources.

Nevertheless, activists still hope the Constitutional Court will strike down another controversial law: the recent Presidential Regulation No 36 (2005), which facilitates land evictions to make way for "public interest" projects, many of which are in fact privately owned (such as toll roads) or of dubious public benefit (such as military facilities). WALHI has gathered 8,000 supporters, mostly from impoverished communities who bear the brunt of evictions, who have put their names to the constitutional appeal. The appeal will probably be lodged around September, once at least 10,000 appellants are listed and the case arguments and evidence are compiled (see also page 13). ♦



'Water for All' placard in protest against water privatisation, 2005. (WALHI)



## environment and health / oil palm

# Pesticide use in oil palm plantations

*Pesticides, including herbicides, are commonly used in oil palm plantations, despite their adverse impacts on human beings and the environment.*

In his keynote speech to the Roundtable on Sustainable Palm Oil, October 2004, the then Indonesian agriculture minister, Bungaran Saragih, admitted the dangers of herbicides use in oil palm plantations<sup>1</sup>. Around 25 different pesticides are used in oil palm plantations, but monitoring is difficult due to lack of control and documentation<sup>2</sup>.

### Paraquat

Used for more than 40 years in both small and large plantations, paraquat dichloride, known simply as 'paraquat', has become one of the most widely used herbicides the world over. In Indonesia, it is often sold as Gramoxone. This highly toxic weed-killer is commonly used in oil palm plantations in South East Asia. It may be fatal if inhaled, ingested or absorbed through the skin. No antidote for paraquat poisoning exists yet.

The main concern about paraquat is its risks to plantation workers. Although incidents also occur in the North, lack of proper conditions of use in many developing countries, where label instructions and recommendations for use may not be well observed, is a particular concern. Plantation workers are often employed for long periods, working up to 10 months in a year, six days a week and therefore subjected to regular exposure to toxins.

In March 2002, Pesticide Action Network Asia Pacific and Tenaganita, a Malaysia-based workers' rights organisation, launched their study on pesticides poisoning in Malaysia's plantations<sup>3</sup>. This highlighted the suffering of women plantation workers, who work daily as pesticide sprayers. The acute paraquat poisoning symptoms include nosebleeds, eye irritation, contact dermatitis, skin irritation and sores, nail discoloration, nail loss and abdominal ulceration.

Paraquat is banned or restricted in Austria, Denmark, Finland, Sweden, Hungary and Slovenia. Among developing countries, Indonesia, in addition to North Korea and Togo, has applied severe restrictions upon its use<sup>4</sup>. Malaysia, the biggest producer of palm oil, is reconsidering its ban on paraquat as it approaches the end of a 2-year phase-out period. This represents a clear case of backtracking on a decision - for which it was applauded - taken in August 2002. It is thought to have been the result of strong opposition to the ban by the Malaysian Palm Oil Association and the agro-chemical industry. Under Indonesia's regulation, only people

who have been trained and certified are allowed to use paraquat. However, in reality, training is often minimal and protective clothing - where provided - is impractical. It is also difficult to prove that untrained and uncertified workers are not using the chemical.

### Glyphosate

As paraquat is becoming more restricted or banned, glyphosate is reported to be taking its place as the 'queen of herbicides'<sup>5</sup>. Monsanto, one manufacturer of glyphosate<sup>6</sup>, claims it is a highly effective weed-killer, safe to users and harmless to the environment. However, anti-pesticide campaigners reveal that there is evidence of toxic effects on humans as well as on the environment, indirect environmental damage and resistance in some target weed species<sup>7</sup>. Furthermore, although glyphosate is much less toxic than paraquat, some of the surfactants included in preparations for spraying it are highly toxic. Roundup, produced by Monsanto, is a glyphosate-based herbicide used worldwide, including on genetically modified plants in which it can be tolerated. Some agricultural workers using glyphosate have had pregnancy problems. Recent research shows that glyphosate is toxic to human placental cells in concentrations lower than those in agricultural use<sup>8</sup>. This is of particular concern since farmers may become more dependent on Roundup. In March 2005, Dr. Mae-Wan Ho and Prof. Joe Cummins, leading scientists at the London-based Institute of Science in Society, called for an urgent regulatory review on glyphosate. They pointed to effects of exposure to glyphosate including an increased risk of late spontaneous abortions<sup>9</sup>. Monsanto has rejected the findings.

In addition to concerns about the health and safety of plantation workers, there are issues about water pollution associated with paraquat and glyphosate. Manufacturers claim that both chemicals are harmless to people and wildlife after spraying as they are rapidly absorbed by plants and inactivated by contact with the soil. However, in parts of Indonesia where the rainfall is often very high, herbicides can be washed into streams and rivers which provide the only source of water for all household needs - including drinking - for villages around the plantations. Furthermore, the herbicides do not bind to sandy soils.

### Ratification of PIC treaty

On 24th February 2004, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (known as the PIC treaty) became legally binding. The Convention provides a warning procedure in the international trade of hazardous pesticides and other chemicals. At present, it has 73 signatories and 59 parties. Indonesia is among the signatories. PAN Indonesia is urging the government and parliament to ratify the PIC Convention so that it becomes national law<sup>10</sup>. Malaysia has ratified the convention and is being urged to include paraquat in the PIC list.

#### Notes:

- 1) <http://www.sustainable-palmoil.org/PDF/RT2/Proceedings/Day%201/Minister%20Speech.pdf>
- 2) Friends of the Earth. 2005. *Greasy palms*. [http://www.foe.co.uk/resource/reports/gr\\_easy\\_palms\\_impacts.pdf](http://www.foe.co.uk/resource/reports/gr_easy_palms_impacts.pdf)
- 3) *Poisoned and Silenced - the Study of Pesticides Poisoning in the Plantations*, quoted in *Pesticide Monitor*, Vol 2, No 3/6, July 2002. ISSN: 1394-7400
- 4) PAN AP Letter to Malaysian Prime Minister to stay firm on paraquat ban, 18th April 2005
- 5) <http://www.weeds.iastate.edu/mgmt/qtr99-1/glyresistance.htm>
- 6) Glyphosate has been a name of three related products. Glyphosate-isopropylammonium and glyphosate-sesquisodium have been patented by Monsanto and glyphosate-trimesium patented by ICI (now Zeneca). Source: Glyphosate fact sheet. *Pesticides News*. <http://www.pan-uk.org/pestnews/actives/glyphosa.htm>
- 7) PAN UK in <http://www.pan-uk.org/pestnews/actives/glyphosa.htm>
- 8) Richard S, Moslemi S, Sipahutar H, Benachour N, Seralini GE. 2005. Differential effects of glyphosate and Roundup on human placental cells and aromatase Environ Health Perspect: doi:10.1289/ehp.7728. [Online 25/Feb/05]
- 9) ISIS Press Release 7th March 2005. *Glyphosate Toxic & Roundup Worse* in <http://www.i-sis.org.uk/GTARWW.php>
- 10) PAN AP Press Release <http://www.panap.net/highlightsA.cfm?id=21&hilitid=HILITE21> ♦

*post-tsunami Aceh*

# Timber demand soars, fatal floods hit

*Flash floods hit southeastern Aceh in late April, killing at least nineteen people and injuring dozens more. The disaster can be linked to the huge demand for reconstruction timber in post-tsunami Aceh.*

The floods brought rocks, logs and water crashing down hillsides, completely destroying people's homes late on April 26th, when most villagers were asleep. The villages of Lawe Gerger, Lawe Mengkudu, and Lawe Lak-Lak in Southeast Aceh district, were worst hit. Reports put the death toll at nineteen or twenty, with five more people still missing. One media report said that around 490 houses were destroyed in one village alone, but official figures put the damage at just over 70. Several roads were damaged and made impassable.

The floods were triggered when heavy rainfall caused the River Alas to overflow. According to WALHI Aceh (Friends of the Earth), there has been a lot of deforestation in the river's catchment area. Local people had been worried about the threat of flooding for a long time, but the local government never made any proper response. Indeed it appears to have been against their interest to do anything about the deforestation. According to WALHI, there are indications that 12 sawmills are operating in Southeast Aceh district - some of them owned by the local assembly (DPRD) and regional officials. There are ten companies holding licences to fell timber (IPHHK) each covering on average 100 hectares. Some of these, too, are owned by regional assembly and secretariat officials. In addition, WALHI believes there are 17 illegal logging outfits operating in the area. Observations over the last month counted ten trucks carrying timber out, each transporting 30-80 cubic metres of wood.

A province-wide logging ban was imposed in Aceh in 2001, but illegal logging continued regardless. The ban was lifted again in late 2004 by then Governor Abdullah Puteh, now in jail for corruption. During that year, 47 companies were issued IPHHK licences, according to the *Jakarta Post*, and over 116,000 m<sup>3</sup> of timber was cut, far exceeding the 47,500m<sup>3</sup> legal limit during past years. Twenty-two of the 47 licences have expired, but the companies continue to log.

WALHI Aceh data shows that from 2002-2004 there were 779 incidents of river flooding in Aceh, caused by increasing deforestation. The group has recorded five reports of major landslides and flash floods in Aceh since the tsunami, plus a total of 143

since 2000.

"We call on the government to halt and take action against illegal logging in the area", said a WALHI press release. "We also question what has happened to the legal proceedings in several cases of illegal logging in the Leuser Ecosystem. If action is not immediately taken, the condition of the

forests will deteriorate even further because of the very high demand for wood for reconstruction needs in Aceh," said Sofyan, WALHI's Aceh Desk Coordinator (WALHI press release 29/Apr/05).

One case of illegal logging involves leading members of Southeast Aceh's district assembly and the fact that this case has not been brought to a conclusion, is believed to have encouraged other illegal loggers.

Acting Aceh governor Azwar Abubakar, was quoted by *Tempo Interaktif* as saying there was no illegal logging in the area, because it was a protected forest.

WALHI also demanded that the government fulfil its responsibilities to the victims of the disaster, by providing compensation and restoring the environment in Southeast Aceh. The group said that dozens of villagers who had escaped the floods were in need of food, medicine and shelter.

A July report in the *Jakarta Post* shows how insult was added to injury for some villagers. Local government staff visited days after the floods to select logs in good condition from those littering the river banks. Villagers were warned not to take the logs themselves, and 11 villagers from Lawe Gerger did later end up in jail. "Their relatives testified that they are not illegal loggers, just farmers who wanted to get some logs." (JP 12/Jul/05)

## Leuser Ecosystem

Southeast Aceh forms part of the supposedly protected Leuser Ecosystem, a vast area straddling Aceh and North Sumatra provinces which contains one of the world's most biodiverse rainforests. Here, the commercially valuable trees have long been targeted by loggers, who are known to operate in collusion with corrupt officials and members of the military and police, despite an official government campaign to clamp down on illegal logging. According to data in the *Jakarta Post*, more than 90% of the Southeast Aceh district is classified as protection forest, with only 289 hectares of forest allocated for production.

"It's obvious," Yashud Hutapea, WALHI's coordinator in Southeast Aceh told the *Jakarta Post*, "that rampant logging inside the Leuser Ecosystem is the culprit of the flash floods".

## European Community aid questioned

An international NGO has raised concerns over European Community (EC) aid for post-tsunami reconstruction in Aceh.

According to a new briefing by FERN, key elements are missing from the EC's reconstruction programme document. These include:

- ♦ details of specific measures to minimise the environmental impact of reconstruction on forests in Aceh and beyond;
- ♦ explicit distinctions between road reconstruction to reconnect villages, provide health assistance, water and food supplies, and the Ladia Galaska road network project, which is linked with deforestation and fatal floods;
- ♦ the need to integrate indigenous peoples' rights in the reconstruction process.

On this last point, the NGO says the EC's post-tsunami co-operation plans with Indonesia "totally neglect indigenous peoples' rights, thus exacerbating their existing marginalisation."

The briefing points out that the EC is Indonesia's largest post-tsunami donor and must play a strong role in ensuring that reconstruction is carried out in a way that does not exacerbate current social and environmental vulnerability. The EC contribution to Indonesia's multi-donor reconstruction trust fund is 208 million Euros, more than 50% of the 400 million Euro fund.

(Source: *EC Forest Platform Briefing Note* June/05, FERN, <http://www.fern.org/pages/aid/platform.htm>)

## WALHI: Rehabilitation and Reconstruction Agency ignores environment

Environmental NGO WALHI has criticised the government's Aceh-Nias Rehabilitation and Reconstruction Agency (BRR Aceh-Nias) for overlooking public aspirations and failing to include the environment ministry in its structure. The group said that the agency, set up on April 29th 2005, failed to show an environmental management perspective.

WALHI is also concerned over the use of Presidential Regulation No 36/2005 on compulsory land acquisition in the Aceh context (see also page 13).

(Source: WALHI tsunami disaster Update 12, <http://www.walhi.or.id>)

As early as 2002, as much as 26% of the Gunung Leuser National Park, an 800,000 hectare area within the wider Leuser Ecosystem, had been destroyed by loggers. This is a process that has been accelerated more recently by the government-sanctioned Ladia Galaska road-building scheme. The official purpose of this road network is to connect the east and west coasts of Aceh, but it also opens up remote areas of rainforest to logging. The scheme has been approved despite opposition from sections of the government and an international campaign against it. Ladia Galaska is strongly supported by the military. It has become a government priority in the wake of the quake-tsunami disaster. Bidding for construction firms to continue work on the road network was held in Banda Aceh recently. (See DTE 64:9 and 62:1 and Aceh: *Logging a Conflict Zone* at <http://www.aceh-eye.org> for more background on logging in Aceh and the Ladia Galaska scheme).

## Logged in the name of recovery

According to WALHI Aceh, logs from Southeast Aceh are mostly destined for the lucrative export market and not for reconstruction in Aceh. Hardwood species such as *semaram*, *merbau*, *kruing* and *meranti* are targeted because they fetch US\$1,800 per m<sup>3</sup> on the international market.

Nevertheless, the link to the tsunami recovery effort is clear. The huge need for reconstruction timber supplies is being used to justify logging in the Leuser Ecosystem, even if most of the wood does not go to Banda Aceh and other tsunami-affected areas. Villagers from Southeast Aceh reported that trucks carrying logs or sawn timber out of the district during the early months following the tsunami displayed signs

such as 'For the Rehabilitation of Aceh'. Trucks now make three of four trips to carry processed wood out of Aceh Tenggara per week, up from two trips a week before the tsunami.

Apparently, the official response is to let them get on with it. Aceh police chief Gen Bachrumsyah Kasman admitted to the *Jakarta Post* that the police had suspended their campaign against illegal logging to give way to the emergency and relief operation in Aceh. He said Vice-President Jusuf Kalla had asked him to go easy on the apprehension of undocumented wood transportation because Aceh needed whatever wood it could get. Kuntoro Mangkusubroto, head of the Bureau of Rehabilitation and Reconstruction for Aceh and Nias Island, also indicated a more relaxed approach: "I don't support illegal logging. Illegal is illegal, period... But if they give it for free [illegal logs], I will gladly accept," he said.

Rather than free timber, what is happening instead is a massive hike in the price of reconstruction timber, leaving villagers who are desperate to rebuild their homes unable to afford it. One wood store owner in Banda Aceh said retailers were being forced to sell at very high prices in order to cover fees paid to corrupt police officials. His truck driver, who buys wood from sawmills in Langsa district, East Aceh, must go through nearly 70 checkpoints each trip, paying fees amounting to almost Rp15million (USD 1,500) per trip. "If you do not pay the money you will be kicked or hit in the head", he told the *Jakarta Post*. The shopkeeper also said he had to pay extra fees to the police, who came to the shop everyday.

Following the tsunami, the forestry minister Malam Sambat Kaban estimated the demand for timber at 8.5 million cubic metres for the construction of around 123,000 new homes. He also said the ministry was considering giving special permits to companies in Aceh to allow them to meet this demand. However, environment minister Rachmat Witoelar was reported to have called for log donations from other countries instead (see DTE 64:9).

Since then, Indonesian research institution Greenomics Indonesia and international conservation organisation WWF have launched a 'Timber for Aceh' appeal, seeking donations of non-tropical timber. The *Jakarta Post* reported in July that 50 container-loads were expected to arrive from the US that month, enough to build 1,200 houses. The appeal was supported by Governor Azwar Abubakar who wants to make Aceh a 'Green Province'.

Other groups are taking a more bottom-up approach. The Muslim Aid Foundation, for example, is supporting a building programme for coastal communities from old coconut tree trunks and woven bamboo, plus palm or sago leaves as roofing. The affected families themselves came up

with the ideas and whole families are involved in the actual building work.

(Press Release, WALHI National Executive and WALHI Aceh 29/Apr/05; *Tempo Interaktif* 28&29/Apr/05; *AFP* 27/Apr/05; *Jakarta Post* 12/Jul/05)♦

## Hopes for an end to the conflict

The Acehese human rights activist, Aguswandi, told the European Parliamentarians in March how Aceh had suffered from a dual disaster: the tsunami and the conflict. However, almost all of the international attention focussed on just one of these - the tsunami - rather than pushing for a resolution to the conflict. Aguswandi argued that the conflict situation, which denied freedom of expression, had prevented the meaningful participation of Acehese tsunami survivors in reconstruction planning. This, in turn, was undermining the chances of success for a sustainable reconstruction programme. "The present approach will only lead to further resentment and problems in the long run," he said. Aguswandi called on the EU to ensure access to Aceh for international organisations involved in human rights and peace-building work; monitoring of donations to ensure assistance is delivered to those most in need; and to ensure that Indonesia fulfils commitments to public participation in the reconstruction and recovery process.

## Peace agreement

The prospects for an end to the conflict look brighter after July's announcement of a peace deal between Indonesia and GAM, the Free Aceh Movement. The signing of a formal peace agreement is expected on August 15th. GAM has dropped its demand for full independence and Indonesia has lifted objections to GAM becoming a political party. The deal is also reported to include withdrawal of 27,000 Indonesian troops - more than half the current number; an amnesty for GAM forces to lay down their weapons; plus an international presence, including EU observers and ASEAN monitors, to oversee the end of the conflict.

(*Aceh: challenges of building a better future after tsunami*, 16/Mar/05, Testimony of Aguswandi, Tapol and ACSI, to the Committee on Development and Human Rights, European Parliament; *Guardian* 18/Jul/05)♦

## AMAN presents concerns to UN Permanent Forum

Indigenous peoples are calling for land security to be included in the post-tsunami rehabilitation programme, and for the involvement of indigenous peoples, including women.

Presenting a statement to the May session of the Permanent Forum on Indigenous Issues at the UN in New York, the Alliance of Indigenous Peoples of the Archipelago (AMAN) and the Acehese indigenous network JKMA, reported that thirty member communities were seriously affected by the tsunami disaster. Around 4,000 indigenous people lost their lives.\* Around 7,000 survivors from indigenous communities were living in emergency tents, with others living in temporary barracks which lacked adequate facilities.

AMAN and JKMA also insisted that indigenous communities, whose cultures are tied to customary lands along the coast, should not be relocated away from coastal areas and that relocation programmes must fulfil the principle of free, prior and informed consent.

The statement was made jointly with the Assembly of First Nations (AFN) from Canada. It highlighted a programme of collaborative work agreed between these indigenous organisations. This is based on a needs assessment conducted with affected indigenous communities, which will focus on free, prior and informed consent in the planning and implementation of reconstruction activities; education; employment and income generation; housing and alternative energy development.

(Joint statement by AMAN & AFN to the Permanent Forum on Indigenous Issues, 4th session, New York, May 25, 2005).

\*These include Pak Keucik Jailani, Acehese indigenous leader and member of AMAN's council (see obituary, DTE 64:24).♦

### More Aceh reports:

Responding to Aceh's Tsunami: the first 40 days, Eye on Aceh, April 2005: <http://aceh-eye.org>

Aceh: Then and Now, Lesley McCulloch, Minority Rights Group, April 2005 <http://www.minorityrights.org/admin/download/pdf/MRGAcehReport.pdf>

(continued from page 13)

of repressive, authoritarian powers to protect investors and that employs a development model of economic liberalism. The current system of governance has become a major tool for use by investors/financiers.

Finally, we are going to press for a judicial review in the Supreme Court on Presidential Regulation No 35/2005 as soon as possible as a means of using the law to reject legislation which inflicts misery on the people.

(Statement signed by Yayasan LBH Indonesia; Wahana Lingkungan Hidup Indonesia; KPA (Konsorsium Pembaruan Agraria; ELSAM; Pokja PSDA; Sekreteriat Bina Desa; May 9/2005. Slightly abridged translation by DTE. Additional source: *Sepiri Mupakot Niut* 29/May/05, *Jakarta Post* 6/Jun/05; *Sinar Harapan* 2/Jul/05).



## Farmers arrested in Perhutani land dispute, East Java

The following is the translation of an urgent action appeal from the Indonesian human rights NGO ELSAM. It is another case in which the state forestry company, Perhutani, is associated with brutality against farmers. Previous cases have been well-documented - see for example KaKKaPP letter, DTE 60:9.

On the morning of 7th April, 7 villagers from Krenceng (East Java) were detained by police from Kediri. They were caught with the help of Perhutani (the state forestry company operating in Java) who called farmers involved in a land dispute to a meeting to discuss the issue. The venue was a building on the disputed land. As soon as the farmers arrived, they were taken by police to Kediri police station and charged under the 1999 Forestry Act. The police said they had previously told the farmers to come in for questioning twice, with no response.

The following day, two other farmers (Sunarto and Supriyanto) were also detained while working in their fields. On April 17th Imam Muhtarom was arrested when Perhutani were clearing the farmers' crops; the villagers were trying to prevent them. Muhtarom was accused of carrying an offensive weapon. He was beaten up on the way to Kediri police station and needed medical treatment, including stitches to a head wound. More arrests took place on April 25th. The victims were accused of stealing timber. On this occasion, the police took away 70 Krenceng farmers who were preparing to plant crops, followed by another 80 people later. The police asked them who was farming the land and separated these people from those who were only labourers. The latter were allowed to go home while 18 farmers were taken to Kediri police station and held there. During their arrest, one of the Krenceng farmers (Jumino) suffered injuries after being hit and kicked in the stomach. The last arrest (Nur Hasim) took place on May 13th. Farmers from the village of Besowo in the same sub-district (Kepung) have also come into conflict with Perhutani over their use of land in an area designated as 'protection forest'. As a result, a total of 29 people are still being held at Kediri police station while their cases are investigated.

### Background

The arrests of farmers in Krenceng goes back to a conflict over land between the local inhabitants and Perhutani in 2002 when Perhutani used bulldozers to clear mulberry bushes on land which local farmers had planted. Perhutani cleared this land because it had a new agreement with an investor. In 2004, Perhutani reached an agreement with the farmers over land allocation. However, the land allocated to the farmers was insufficient while, at the same time, Perhutani was allowing the investor to continue clearing new land for cultivation. The farmers were annoyed about this and set up their own organisation (Team VI) to clear land for themselves. Finally, Perhutani decided to clear the land cultivated by the farmers and asked the police to arrest the leadership of the farmers' group.

The Indonesian NGO ELSAM is very concerned about the situation of the Krenceng farmers and believes that this case involves the violation of the Indonesian Constitution and several national and international laws, including the Indonesian law on Human Rights.

For further information, contact ELSAM: E-mail: [elsam@nusa.or.id](mailto:elsam@nusa.or.id) or [advokasi@indosat.net.id](mailto:advokasi@indosat.net.id) Website: <http://www.elsam.or.id>♦

## land

# New land regulation will inflict misery

*Protests have greeted a new regulation on land issued by President Susilo Bambang Yudhoyono in May.*

The new Presidential Regulation on Land Procurement for Public Development, (*Perpres* No 36/2005) permits the compulsory acquisition of land for the public good. It lists some 21 types of public development, including toll roads and telephone networks. The regulation has been judged more repressive than Suharto-era legislation, which generated violent evictions and repressive measures by the security forces in countless land disputes across Indonesia.

A coalition of Indonesian civil society organisations, including environmental group WALHI and indigenous peoples organisation AMAN, have condemned the regulation (see statement below). They have mounted a judicial review at the Constitutional Court in an attempt to get the regulation withdrawn.

A parliamentary commission has also attacked *Perpres* 36/2005, calling for it to be reviewed, while the national human rights commission has written to the President calling for the regulation to be cancelled because of its potential to violate human rights. Indonesia's recently established Regional Representatives Council (DPD - see *DTE* 61:3) has also expressed concern. One DPD member, Laode Ida from Southeast Sulawesi, has pointed to evictions in Korumba, Kendari, where the regulation has already been used.

There have been street protests too. In June, more than a thousand members of the Urban Poor Consortium marched against evictions from slum areas in Jakarta and demanded that the government revoke *Perpres* 36/2005.

In West Kalimantan, students protested against the regulation during the President's visit in June. Indigenous Dayak communities meeting in Niut (see p.4) demanded the regulation's withdrawal, because "it threatens our legal ownership over land and resources inherited from our ancestors."

## NGO statement

### **The SBY-Kalla government reveals its true nature: putting the interests of capital before those of the people?**

On May 3rd 2005, President Susilo Bambang Yudhoyono signed Presidential Regulation No 36/2005. This regulation replaces an earlier problematic piece of legislation



*Protest against Perpres 36/2005 (WALHI)*

(*Keppres* No 55/1993) on Land Procurement for Public Developments. The content of this new regulation, signed by SBY, is even more severe than President Suharto's edict.

Firstly, the new regulation is more repressive than the old one. This is obvious from the following stipulations:

Suharto's regulation only listed two methods of land procurement for public developments: relinquishing rights and handing over rights. The new regulation adds another: the president removing land rights.

Suharto's regulation clearly states that public developments are ventures "which are carried out and subsequently owned by the government and which are not profit-orientated". However, the new regulation does not state the limits or nature of what is meant by the public good.

Suharto's regulation only contained 14 types of public development. The new regulation adds another 7, making a total of 21. Yet some of the developments included in both regulations have been carried out completely by the private sector, for example the construction of toll roads and provision of telephone networks.

Suharto's regulation clearly laid down that there should be a Land Procurement Panel. The new regulation makes no mention of such a body. Although the old regulation did not specify that the panel must be made up of the military, it was precisely this body which spearheaded land release. The loose wording of the new regulation presents the very real possibility that the security forces (army and police) will once again be brought into force through land procurement.

Secondly, it seems to us that the 2005 Presidential Regulation is obviously intended to facilitate the outcomes of the 2005 Infrastructure Summit, where the Indonesian government invited foreign investors to find financing to make up the funding shortfall for infrastructure development of Rp1,305 trillion (over US\$130bn). The co-ordinating minister for economics said that Rp810 trillion (over \$81bn) would be sought from the private sector - with Rp90 trillion (over \$9bn) from donor nations and international financial institutions and Rp750 trillion (over \$75bn) from overseas and domestic private investors. It should be noted that, as an initial phase, the Indonesian government has already offered 91 projects worth Rp202.5 trillion (over \$20bn) to investors.

In a follow-up step to last January's Infrastructure Summit, the government has promised to issue 14 regulations and policy decisions to support investment and convince potential overseas business partners to invest in Indonesia. Presidential Regulation No 36/2005 demonstrates the government's commitment to domestic and foreign investors. This new regulation does nothing less than provide a guarantee to investors/financiers that they will definitely get the land they want to carry out the projects that will bring them profits.

Thirdly, we should learn from the past. The previous regulation, with its less severe measures, resulted in 1,148 land dispute cases where people were forced to release their land. We promise you that the new presidential regulation signed by SBY this year will produce many more cases of forced eviction.

Fourthly, based on the above, we consider that this presidential regulation is wrongly based on a paradigm that prioritises the use

*(continued on page 12)*

*mining / forests*

# Constitutional Court bows to pro-mining pressure

*Campaigners against mining in protected forests were disappointed in July, when Indonesia's Constitutional Court ruled in favour of mining companies. Nevertheless, foreign multinationals have not got it all their own way.*

Indonesia's Constitutional Court, established less than two years ago, was welcomed by many who hoped it could put an end to the arbitrary exercise of executive power. Indonesian community activists also dared to hope the Court might succeed in protecting human rights and the environment through a progressive reading of certain passages in the 1945 Constitution.

These goals were foremost when the issue of mining in protected areas was brought to the Court by 92 Indonesian mining-affected individuals and non-government organisations from Sumatera, Java, Kalimantan, Sulawesi, Nusa Tenggara, Maluku and Papua, earlier this year.

Open-pit mining in protected forest areas was made illegal in 1999, a move which affected 150 (mostly inactive) mining concessions. But the threat of retaliatory legal action from powerful mining companies and a deteriorating investment climate prompted the government of then president Megawati to cave into pro-mining demands. Thirteen companies were permitted to continue mining activities despite the clear threats to the environment and opposition from communities (see DTE 61:6 and 65:18).

The 92 appellants requested that the Constitutional Court conduct a judicial review of a series of three legal instruments enacted in 2004 to enable these 13 companies to proceed with open-pit mining in protected forests. This legislation includes a Government Regulation in Lieu of a Law (*Perpu*), issued by Megawati's cabinet in March 2004 and confirmed by parliament in August 2004, plus a Presidential Decree naming the thirteen companies.

## Healthy environment as a basic human right

One of the activists' goals was to test, in the Constitutional Court, the basic human right to a natural environment that is both healthy and in good condition, as set down in the Indonesian Constitution. The appellants presented a range of evidence and expert witnesses to highlight the environmental impacts of mining, and the importance of protected forests, making a strong case that the 2004 pro-mining legislation was at odds with clause 28H (1) which reads:

*It is the right of every person to live prosperously in body and soul, to have a home,*

*to enjoy a good and healthy natural environment, and to have access to health services.*

Similarly, Emil Salim, the former Indonesian environment minister who headed the World Bank's Extractive Industry Review, provided an affidavit as an expert witness to support the mining-affected community members' challenge. He presented an argument based on another two crucial Constitutional clauses pertaining to natural resources and environment, Clauses 33 (3) and (4). Clause 33 (3) reads:

*The earth, water and natural wealth contained within is under the jurisdiction of the State and shall be used for the greatest welfare of the people.*

The appellants made a case that the 2004 legislation enabling 13 companies to dig open-pit mines in protected forests was at odds with Clause 33 (3), because it prioritised the interests of a few (mostly foreign) companies ahead of the long-term prosperity of local communities and the Indonesian public in general. Salim argued that in Indonesia's experience of mining, local communities have become impoverished rather than more prosperous. He also drew attention to the fact that Indonesia's mined resources are mostly exported by multinationals as raw commodities, rather than as processed or value-added goods, so that Indonesia is not benefiting from technological advances or state revenues.

Clause 33 (4) continues:

*The national economic system is founded on economic democracy with the principles of togetherness, efficient justice, **sustainability, environmental perspectives**, independence and through guarding the balance and unity of the national economy.*[emphasis added]

The appellants provided compelling evidence that the 2004 legislation was unconstitutional because it breached the principles of sustainability (using the UNCED 1992 definition) by permitting open-pit mining in protected areas.



Community protest on land taken for gold mining by Nusa Halmahera Minerals, one of the 13 companies named in the 2004 Presidential Decree. (WALHI)

## A lost opportunity

Presented with arguments based on the three clauses mentioned above, there was a reasonable expectation that the Constitutional Court would address the substance of the constitutional arguments in its written decision in this case. Surprisingly and disappointingly, the judges not only rejected the activists' case but also passed up a historic opportunity to contribute to the body of legal understanding of the Indonesian Constitution. No clear precedent has been set by their written decision, which failed to analyse the scope and meaning of the constitutional right to a good and healthy natural environment, nor the importance of sustainability, environmental perspectives, and other key phrases they were asked to interpret. The decision can only be described as waffle:

*Although this Court shares the opinion of all the experts brought by the appellants regarding the danger and negative impacts of open-pit mining in protected forests, nevertheless this Court also understands the reasoning for the need for a transitional regulation which continues the rights or legal status gained by mining companies before the advent of the Forestry Law (1999).*

(Quoted from the conclusions at pp 413-414 of the Judgement of the Constitutional Court).

## A pressing crisis: according to whom?

The Indonesian Constitution assigns the role of lawmaking primarily to Parliament, and requires that the President may only issue a Government Regulation in Lieu of a Law (*Perpu*) in conditions of pressing crisis, *hal ihwal kegentingan yang memaksa* (Clause 22 (1)). The question of whether such a condition existed in relation to mining in protected areas consumed hours of hearings and pages of the Court decision. The broader significance of this issue is clear: would the Constitutional Court carve out a clear role as enforcer of 'checks and balances' to preserve the separation of powers of the legislature (Parliament) and that of the executive (cabinet and President)?

To the great concern of civil society, the Court found that whether there is a pressing crisis is not measured objectively by reference to whether a national emergency exists which cannot be dealt with by parliament. Instead it is a subjective measurement at the discretion of the President. The Court cited as precedents previous *Perpu*, most of which date from the time of Soeharto's New Order regime. Finally, the Court opined that the subjective decision of the President 'becomes objective' once it is ratified by parliament. Observers believe that this odd statement constitutes a

legal fiction created to justify a policy of non-interference by the Constitutional Court. Even the judges themselves seemed uncomfortable with this fiction, ambiguously recommending that, in future, the President must consider more objective conditions before issuing further *Perpu*.

## Mining companies, threats and bribes

The Constitutional Court's mandate is to hear cases in which constitutional rights of Indonesian citizens are breached by an act of government. It was therefore a surprise when the Court agreed to a request from 13 mining companies, - nine of which are foreign-owned - to be permitted legal representation, and even allowed them present evidence. On 11 May, the Court and observers were treated to the spectacle of Andrew Wilson, president director BHP Billiton Indonesia, stumbling his way through a prepared speech in Indonesian, to the amusement of the judges who corrected his pronunciation several times. The Anglo-Australian multinational BHP, one of the thirteen companies, holds a nickel concession on Gag Island, West Papua. NGOs fear that, if developed, mining would endanger community livelihoods and pollute the rich marine environment of the Raja Ampat Archipelago. The speech raised eyebrows when Mr Wilson attempted to turn the tables and challenge the constitutionality of Gag Island's protected forest status. In its judgement, the Constitutional Court indicated that the evidence of these companies had indeed formed a part of its deliberations.

The government's lawyers argued that a key reason for the *Perpu* was the threat that Indonesia would be sued by foreign mining companies at international arbitration, for more than US\$ 22 billion. The activists

presented expert evidence to the contrary, arguing that this threat from multinational corporations was an immoral attempt to sabotage public interest policy-making for private profit. In any case it was not sufficient basis for the Decree since the companies' legal position was so weak that they would surely fail at international arbitration. To the frustration of the appellants, the judges did not refer to this issue in their final decision, passing up an opportunity to create precedents in constitutional law relating to national interest and rule of law. The judges did, however, discuss evidence (including testimony from a member of parliament) that parliamentarians received bribes of US\$ 5,000 to \$15,000 in order to ratify the *Perpu* but concluded that the Constitutional Court was unable to consider the bribery issue until it was proven in a criminal court.

## A ray of hope

Although the Court ultimately declined to overturn the *Perpu*, it made several important and encouraging legal observations regarding the legality of mining in protected areas. The written judgement includes the finding that, according to the Forestry Law of 1999, open-pit mining in protected forests is clearly banned; and that - as clarified in Law No. 10 (2004) - laws do apply retrospectively to legal relationships or legal acts, therefore presumably including to mining Contracts of Work. The Court also explained that the deviation from the ban on mining in protected forests contained in the *Perpu*, is only a transitional provision which applies exclusively to permits for exploitation obtained before the 1999 Forestry Law and not to companies which had not reached that stage before that year:

*This Court concurs with the opinion of expert witness Prof. Dr. Emil Salim ... that the six companies still at the stage of exploration or feasibility studies, at such time as they enter the exploitation stage must comply with the requirements in Clause 38 (4) of the Forestry Law (4/1/1999) [which prohibits open pit mining in protected forests] as long as their licences for exploration and exploitation are not a combined licence.*

Under Indonesian law, a Contract of Work (CoW) is granted to a mining company to exclude others from mining in a certain area and does not comprise a permit for exploitation. A company holding a CoW may carry out exploration, but only gains a licence for exploitation once its mining plan and Environment Impact Assessment for a particular site receive government approval. Companies are commonly required to complete a separate Environment Impact Assessment (EIA) for each major mining site

(continued on page 8)



Campaign banner saying "reject mining in protected forests".

## In brief...

### Land of peace for Papua - a basis for rebuilding Papua

On his recent visit to the UK and Ireland, Rev. Socrates Sofyan Yoman, the President of the Alliance of Baptist Churches of West Papua, reiterated the call for peace talks to be held in West Papua. He pointed to the peace talks between GAM (Free Aceh Movement) and the government of Indonesia, which had struck an agreement including troop withdrawal and an arms amnesty for GAM, and said this should become a precedent. Any idea of a similar proposal for West Papua, however, has been rejected by the Indonesian government.

Rev. Yoman believes ending the long-running military offensive would be the first step to restoring the dignity of the West Papuans. Since the 1969 'Act of Free Choice' (AFC), the West Papuans have seen their land being exploited by Jakarta's economic elite, multinational corporations and opportunists looting the region's natural resources, whereas only a fraction of the revenues has 'trickled down' to the local and indigenous population. Under the pretext of securing national integrity, the Indonesian military have been serving investors by protecting their businesses whilst denying the rights of indigenous Papuans to protect the sustainability of their land and resources.

Rev. Yoman fears that Papua's 2001 Special Autonomy Act has become a second-phase AFC, neither representing the voice of West Papuan majority, nor fulfilling demands for self-determination. He believes Special Autonomy cannot offer a solution as it fails to address the root of West Papua's problems.

Fifteen thousand extra troops have been deployed to the region since the partition of West Papua into more provinces in early 2003.

The US, British and Australian governments only continue to support West Papua's inclusion in Indonesia because it is in their economic and political interests, he said. "They want to extract our gold, silver, gas and forest products...They always support the Indonesian government and its military in

hunting down, arresting, abducting, torturing, jailing, raping and killing us. They have repeatedly wronged the people of West Papua, denying our basic rights. First, through the New York Agreement of August 15, 1962, without involving indigenous Papuans; then handing over West Papua to Indonesia on May 1, 1963, before the 1969 Act of Free Choice; then legitimising the undemocratic Act of Free Choice, which was accepted by the UN; and finally by supporting the Special Autonomy Law".

In the meantime, the majority of the indigenous community has been struggling to find a means to afford proper education, health services and livelihood security. West Papuans, often labelled as 'backward' and 'primitive' by the Indonesian government and outsiders, have indeed been marginalised in their own land.

Rev. Yoman says West Papuans are now seeking support in the international community for recognition of their rights and for dialogue to address the root causes of West Papua's problems. (Source: pers.comm; Papers by Rev. Yoman: *Special Autonomy is AFC phase II*, Jan/05, *Systematic genocide of the indigenous peoples of West Papua under Special Autonomy*, May/05; *TAPOL Bulletin* No. 178, Mar/05; *DTE* No. 51: 12)

Brutal attacks by Indonesian military personnel against Papuans have been reported near Wamena in the Pyramid area of the central highlands, following a series of military operations in the Puncak Jaya area earlier this year. Meanwhile, due to deep dissatisfaction with implementation of Special Autonomy, Papua's Indigenous Council has decided to 'return' the Special Autonomy Law to the authorities on 15 August. ([www.freewestpapua.org](http://www.freewestpapua.org), *Tapol* 5/Aug/05)♦

### Infrastructure projects for private sector investment

Following an 'infrastructure summit' in January, the Indonesian government has announced that 91 projects valued at US\$22.5 billion will be offered to the private sector. The projects include toll roads, gas transmission pipelines, water supply projects, a railway access network and an airport terminal extension project

([hr//www.thelawyer.com/](http://www.thelawyer.com/)).

The focus on private sector investment in mega-projects has raised concern among NGOs who fear that the rights and interests of local communities and environmental costs will be sidelined or ignored. These concerns have been heightened by the issue of Presidential Regulation 36/2005 which provides for compulsory purchase of land for public facilities (see p.13).♦

### Nuclear power by 2017

Indonesia will develop nuclear power by 2017 for peaceful purposes, including power stations, according to a May announcement by research and technology minister, Kusmayanto Kadiman. "[T]he possibilities include Madura (East Java) or Muria (Central Java), but if these proposals are turned down it will be no problem to move to earthquake-free Kalimantan", he said.

Muria was the site of a planned nuclear power station in the 1990s, during the Suharto era, but plans were shelved after the 1997 economic crisis. In February last year, the national nuclear power agency, BATAN, indicated that the project was being revived with private investment and that a feasibility study would be started in 2004. (*Jakarta Post* 10/Feb/04, *Antara* 20/May/05; *DTE* 60:15).♦

### Freeport payments report

International campaigning group, Global Witness, is calling for Freeport McMoRan, operators of the giant Grasberg copper and gold mine in West Papua, to be investigated under US and Indonesian laws.

A new report by Global Witness details payments made by the company directly to individual military and police officers, including US\$ 247,705 to Major General Mahidin Simbolon, former military commander of Papua, who also held a senior military post in East Timor when atrocities were committed by soldiers and army-backed militias. (Global Witness Press Release 25/Jul/05; see also *DTE* 57:1 for more background. The British mining multinational, Rio Tinto, helps finance the mine, which has a long history of environmental damage and human rights abuse associated with it.)♦

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c/o SAM, 27 Lorong Maktab, 10250 Penang, Malaysia*