

Communiqué

Indonesian National Critical Minerals Conference

Palu, 9-10 October 2024



We recognize that the earth and all living creatures within it face a severe crisis, including the climate crisis, biodiversity loss, and pollution that endangers and threatens human life. Therefore, everyone must act together to halt these crises and restore the earth as humanity's only home. Critical mineral resources are non-renewable (fossil). Thus, critical minerals must be managed wisely and fairly for future generations of humans and the environment. The management and utilization of critical minerals must be positioned as part of the global agenda to save the earth and humankind from extinction due to the impacts of climate change. The management and utilization of critical minerals are only part of a transitional process in the collective transformation to restore the earth and living spaces to become healthy, safe, and justice for all its inhabitants, realizing human rights, particularly for marginalized groups.

With this awareness, on October 9-10, 2024, in Palu, Central Sulawesi, a coalition of civil society organizations, labor unions, and academicians held the Indonesia National Conference on Critical Minerals. This event highlighted several challenges related to the governance of the critical minerals industry, particularly nickel, in the context of energy transition, labor, and community welfare, as well as its impacts on health and environmental sustainability. The current management and utilization of critical minerals is only seen as a commodity for capital accumulation at the expense of the environment and human lives. We reject and condemn the cruel and brutal nature of critical mineral management that threatens and destroys the environment

and is rife with human rights violations. The mining and processing industries of critical minerals have even become militarized zones in the name of national strategic industries, silencing the critical voices of citizens and workers.

Based on the awareness and necessity that we all have the responsibility to start the transition to restore human living spaces and all creatures within them, we demand urgent and immediate actions to ensure that the management and utilization of critical minerals becomes the first step towards a just transition. The following are the strategic issues and actions that need to be taken immediately, especially by the new government of the Republic of Indonesia.

A. Improving Nickel Industry Governance and Policy

The nickel industry, claimed to be one of the essential pillars of economic development, still needs several problems. The projected nickel demand in national planning still needs to be clarified in various official government documents, whether in the National Long-Term Development Plan (RPJPN), National Medium-Term Development Plan (RPJMN), or other derivative/strategic documents. Moreover, no special attention is given to carbon emissions produced by the nickel industry, which has proven to have environmental impacts. Supervision of nickel mining companies is also considered weak, especially at the regional level, where the limited authority of provincial governments and overlapping central-regional policies complicate the situation further.

Supervision of the nickel industry needs to be stronger, mainly due to limited resources and access at the local level. Overlapping authority between the central and regional governments also hampers effective law enforcement. The 2020 Mineral and Coal Law and the 2022 Job Creation Law further centralize operational permits at the national level, narrowing the role of civil society in local oversight. In some cases, grievance mechanisms need to function optimally due to conflicts of interest at the provincial government level, which often holds shares in these industries.

To that end, we urge:

Ministry of Energy and Mineral Resources (ESDM), Ministry of Environment and Forestry (KLHK), Ministry of Law and Human Rights (Kemenkumham), Ministry of Industry (Kemenperin), Ministry of Trade (Kemendag), OJK, BKPM, and KPK:

1. To open information and data related to the projected national nickel demand, sources of financing, beneficial ownership, and the environmental and health impacts caused by this industry.
2. To strengthen transparency and public accountability by providing access to the public to obtain information and participate in preparing documents such as Environmental Impact Assessments (AMDAL), environmental permits, mining permits, production data, and company sustainability reports.
3. To strengthen oversight and law enforcement against corruption practices in the critical minerals industry sector, including abuse of power, gratuities, and bribery between business entities and state institutions.
4. Ensure transparent, sustainable financing sourced from clear entities with a clean track record and aligned with trustworthy environmental, social, and governance standards.

Bappenas, Police, TNI, National Human Rights Commission, Companies, and Investors:

1. To clarify the division of authority between central and regional governments regarding licensing, oversight, law enforcement, and conflict resolution in the critical minerals industry sector.
2. To promote national social and environmental protection policies in line with international standards and strengthen effective grievance and recovery mechanisms through integrated monitoring and law enforcement systems.
3. To develop a comprehensive, sustainable roadmap for nickel industrialization based on the principles of the green economy, social justice, and respect for the human rights of marginalized groups.
4. To ensure civilian sovereignty, the military must demilitarize or withdraw from all critical minerals industry zones and national strategic project areas.
5. To prioritize a human rights-based approach in managing the nickel industry, primarily to protect the rights of workers, indigenous peoples, and vulnerable communities affected by mining activities.

The President, Indonesian House of Representatives (DPR RI), Supreme Court, Constitutional Court:

1. To develop regulations to mitigate conflicts of interest as a step toward resolving the status quo of public officials involved in nickel businesses and accelerate the role of the National Task Force (GTN) and Regional Task Force (GTD) to ensure meaningful public participation
2. To revise the 2020 Mineral and Coal Law by including clauses that guarantee data transparency, public participation, and fair law enforcement
3. To revise and strengthen Presidential Regulation No. 60/2023 on the National Action Plan for Business and Human Rights (RAN-BHAM) 2023-2024, to update it to RAN-BHAM 2025-2029 by integrating an effective grievance mechanism, law enforcement, and recovery system.
4. To urge the President, DPR, and the new national leadership to prioritize regulations that contribute to the advancement of human rights, such as the operationalization of the Optional Protocol to the Convention Against Torture, ratification of the Convention on Enforced Disappearances, Indigenous Peoples' Rights Law, Asset Seizure Law, Renewable Energy Law, Climate Justice Law, and review the Job Creation Law, the Second Amendment to the ITE Law, and reject counterproductive regulations such as the Broadcasting Law, TNI Law, and Police Law.

B. Addressing Social, Economic, and Employment Impacts

The nickel industry in Indonesia poses significant socio-economic and labor challenges. Poor waste management infrastructure, combined with a lack of education and socialization from the government, exacerbates waste management problems in industrial areas that have undergone demographic changes. Social protection measures currently in place need to adequately address the needs of women and children under the Ministry of Women's Empowerment and Child Protection (KPPA). Furthermore, unequal law enforcement, such as the criminalization of activists who defend community and environmental rights, as well as the loss of public freedom to voice their rights, worsens social justice.

Economic disparities between local communities and mining workers highlight further injustice. Moreover, local governments fail to regulate fair energy and food prices, exacerbating the economic burden on local communities. A lack of

rehabilitation efforts after ecological disasters directly impacts farmers and fishers, with limited alternative employment opportunities for affected local populations.

Regarding employment, poor occupational health and safety (OHS) protections in nickel mining and processing industries illustrate weak commitment to worker safety. Discriminatory labor practices persist, such as wage gaps between men and women and between foreign and local workers. Corruption within management worsens these conditions, reducing wages for temporary workers while reproductive health rights for female workers remain neglected.

For this reason, several recommendations to overcome the negative impacts on social, economic, and employment aspects of the nickel industry in Indonesia include:

To the government (President, Coordinating Ministry for Economic Affairs, KPPA, Ministry of Manpower, Supreme Court, Ministry of Law and Human Rights):

1. The President must immediately revoke the Job Creation Law, which is detrimental to workers and marginalized social groups, and create a new law on employment that includes the principles of decent work, anti-discrimination, living wages, and transparency.
2. Revise Law No. 1 of 1970 concerning K3 (Health, Safety, Work), especially regarding heavier sanctions for law violations.
3. Promote economic equality by prioritizing the welfare of local communities, creating decent jobs, and ensuring fair distribution of benefits from the critical minerals industry.
4. Create gender-responsive policies and programs to address disparities and discrimination against women in the critical minerals industry sector.
5. Create stronger regulations for the social protection of communities around mining areas.
6. Strengthen supervision and law enforcement against labor rights violations, including low-wage practices and outsourcing work systems.
7. Immediately establish a district court in the district/city area of the nickel industry center with an attached industrial relations court.
8. Prevent and cease criminalization and protect environmental activists who fight for community and environmental rights.
9. Withdraw all excessive officers and ensure that officers do not commit human rights violations in critical mining and mineral processing areas. All forms of violations must be stopped and dealt with firmly.

To Local Government:

1. The Regional Inflation Control Team regulates and monitors the prices of basic commodities and energy in mining industry areas to maintain people's purchasing power.
2. Create an MoU with the Company to provide MSME quotas for local communities in the procurement of goods and services that support company activities.
3. Relevant agencies and companies work together to provide entrepreneurship training for affected communities.
4. Strengthening the authority of local governments and ensuring that the governance of the critical minerals sector is not centralized but encourages local government policies that can protect the community's best interests.

To Companies in the Critical Mineral Industry

1. Respect the rights of Indigenous peoples and conduct consultations that comply with the principle of Free, Prior, and Informed Consent (FPIC) before starting mining activities.
2. Provide fair and adequate compensation to affected communities for loss of land, livelihoods, and environmental damage.
3. Implementing gender equality principles in employee recruitment, remuneration, and promotion.
4. Respect workers' rights, including freedom of association and collective bargaining, and provide decent wages and benefits.

C. Addressing Impacts on the Environment, Biodiversity, and Health

Environmental damage and pollution due to mining industry activities significantly impact deforestation, water and air pollution, and biodiversity loss. This causes the potential risk of ecological disaster. In addition, the most negative impact due to mining industry activities and critical mineral processing is public health, such as the massive increase in ARI, skin diseases, sore eyes, stunting, and poor sanitation. Therefore, several aspects must be considered by the parties to overcome these impacts, namely:

To the Ministry of Energy and Mineral Resources:

1. Implement a moratorium on mining permits and the construction of new smelter areas in natural forest areas, peatlands, and areas with high ecological value and vital ecological functions for residents.
2. Improve compliance with human rights protection and environmental aspects for IUJP holders who are subcontractors of Nickel Mining IUP.
3. Encourage investment and innovation in renewable energy as an alternative to fossil fuels.

To the Ministry of Environment and Forestry:

1. Strengthen law enforcement against environmental violations and forestry crimes in the critical minerals sector.
2. Increase the capacity and effectiveness of the Ministry of Environment and Forestry in carrying out environmental supervision and law enforcement.
3. To ensure the preservation of forest areas, special supervision of exploration, including the study of protected and conservation forests and essential ecosystems, is carried out.
4. Develop an integrated and publicly accessible environmental monitoring system.
5. Conduct environmental audits regularly and transparently.
6. Monitor the status of forest areas used for mining and the nickel industry.

To the Ministry of Marine Affairs and Fisheries:

1. Issue policies for protecting and empowering fishing communities affected by nickel mining and refining activities.
2. Create a roadmap for handling hazardous waste in the form of sediment on the coast in mining and smelter areas.

To the Government & Ministry of Health:

1. Conduct epidemiological research on the mining industry's impact on public health around mining areas.
2. Improve health surveillance by providing an early warning system and disease trend data in the mining area.
3. Recruit and train health workers and provide certification of health workers in mining industry areas.

To the Ministry of Education and Culture:

1. Provide educational scholarships for children from families affected by the mining industry.

To Local Government:

1. Proportionate budget allocation to the Regency Environmental Service to carry out supervision.
2. Establish a multi-stakeholder forum consisting of mining communities, local governments, companies, trade unions, academics, and Civil Society Organizations (CSOs) to resolve land disputes and environmental problems such as pollution, ecological damage, and loss of vital ecosystem functions.

To Companies:

1. Implement good mining practices to minimize negative impacts on the environment.
2. Carry out post-mining rehabilitation and reclamation responsibly.
3. Build a safe and environmentally friendly waste management system.
4. Provide preservation areas for key endemic species and ecosystems in mining areas.

D. Ensuring Synergy and Collaboration between Stakeholders

Public awareness and participation in monitoring the extractive industry still need to be raised. Coordination and synergy between stakeholders are required to monitor and minimize the impact of the nickel mining industry and improve the governance of the critical mineral industry as a whole. Therefore, the following recommendations are provided for strengthening synergy and collaboration between parties.

To the Central Government:

1. Facilitate inclusive dialogue and collaboration between government, companies, civil society, academia, and the media in governing the critical minerals industry.
2. Strengthen the capacity and resources of government institutions at the grassroots level, particularly concerning environmental monitoring, law enforcement, and conflict resolution.

To Private Institutions:

1. Cooperate with the government to conduct laboratory tests to validate and strengthen data and lawsuits related to environmental pollution.

To Academics:

1. Conduct research and studies on the social and environmental impacts of the critical minerals industry and develop innovative and sustainable solutions.
2. Through seminars, workshops, and scientific publications, we aim to increase education and public awareness on issues related to the extractive industry.
3. Conduct Environmental Impact Analysis in a transparent and accountable manner.

To the Media:

1. Improve the quality and quantity of coverage related to the critical minerals industry by prioritizing the principles of investigative and independent journalism.
2. Strengthen the role as one of the pillars of media democracy as a watchdog to supervise and control critical mineral industry policies and practices.
3. Actively amplify analytical reports related to the critical minerals industry produced by civil society organizations and other data-based findings occurring in the field.

Organizations and communities involved:

Aksi Ekologi dan Emansipasi Rakyat (AEER)	Pemberdayaan Perempuan Kepala Keluarga (PEKKA)
Auriga Nusantara	Perempuan Mahardhika
Solidaritas Perempuan Kendari	Perhimpunan Pembela Masyarakat Adat Nusantara (PPMAN)
Solidaritas Perempuan Palu	Pusat Penelitian Lingkungan Hidup (PPLH) Universitas Tadulako
Solidaritas Perempuan Sintuwu Raya Poso	PWYP Indonesia
CNV Internationaal	ResponsiBank Indonesia
Djokosoetono Research Center (DRC) Fakultas Hukum Universitas Indonesia	Sahita Institute - HINTS
Fakawele Project	Satya Bumi
FIKEP-KSBSI	SBIMI
Ford Foundation	Sekretariat Nasional Solidaritas Perempuan
Forest Watch Indonesia (FWI)	Solidar Suisse
Forum Ambunu Bersatu (Morowali)	SPIM
FPBI	SPIM-KPBI MOROWALI
FPE	SPN Morowali
FSPMI	Tara Climate Foundation
ICW	Tifa Foundation
Indonesian Center for Environmental Law (ICEL)	Transparency International Indonesia
Institut Kajian Krisis dan Strategi Pembangunan Alternatif (Inkrispena)	Trend Asia
Institute for National and Democracy Studies (INDIES)	TuK INDONESIA
International NGO Forum on Indonesian Development (INFID)	WALHI Maluku Utara
Jaringan Advokasi Tambang (JATAM) Sulawesi Tengah	WALHI Sulawesi Selatan
Koalisi Perempuan Indonesia	WALHI Sulawesi Tengah
Koalisi Save Sagea	WALHI Sulawesi Tenggara
Konfederasi KASBI	Yayasan Ambeua Helewo Ruru
KPA Sulawesi Tengah	Yayasan Indonesia CERAH
LBH Makassar	Yayasan Kompas Peduli Hutan (KOMIU)
Lokataru Foundation	Yayasan Masyarakat Kehutanan Lestari (YMKL)

Masyarakat Desa Tompira	Yayasan Merah Putih (YMP) Sulawesi Tengah
Masyarakat Komunitas Torobulu	Yayasan Pikul
Nexus3 Foundation	Yayasan Tanah Merdeka (YTM)
Solidaritas Perempuan	