PRAKARSA Policy Brief

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Strengthening Access to Grievance Mechanisms and Remedy for Communities Affected by Critical Mineral Extraction

Key Messages

- The strategic role of tin in the energy transition supply chains has not necessarily been accompanied by adequate protection for communities in extraction areas. Findings from the Community-Based Human Rights Impact Assessment (COBHRA) conducted in Mapur Village indicate adverse impacts on the environment, increasing pressures on community living spaces, and vulnerabilities in labor relations. However, the most significant gap experienced by communities concerns their limited access to grievance mechanisms and remedy.
- Available evidence indicates gaps across most of the effectiveness criteria set out in Principle 31 of the UN Guiding Principles on Business and Human Rights (UNGPs), although the evidence is not sufficient to audit the full internal procedures of each company. Accordingly, policy priorities must extend beyond the mere provision of grievance channels to ensuring their accessibility, procedural clarity, protection of complainants, impartial investigation, and outcomes that are consistent with human rights standards.
- Strengthening corporate grievance mechanisms must be accompanied by effective linkages to state-based judicial and non-judicial grievance mechanisms. The establishment of the Strategic Minerals and Commodities Exchange (Bursa Mineral dan Komoditas Strategis/BMKS), the National Contact Point (NCP), and the development of the next phase of the Business and Human Rights Action Plan present opportunities to integrate supply chain traceability, community grievances, case referrals, and follow-up on remedy into the governance framework for critical minerals.



The Paradox of the Energy Transition at the Upstream End of Critical Mineral Supply Chains

Tin occupies a strategic position in global supply chains due to its applications in the electronics and semiconductor industries, soldering, and various technologies supporting the energy transition. In 2023, Indonesia produced approximately 52,000 tonnes of tin out of a total global mine production of around 290,000 tonnes, accounting for approximately 18 per cent of global production. As one of Indonesia's principal tin-producing regions, the Bangka Belitung Islands therefore play an important role in global supply chains (USGS, 2024; PRAKARSA, 2026).

One of the important tin-mining areas in the Bangka Belitung Islands is Mapur Village. In its research in Mapur Village, PRAKARSA applied the Community-Based Human Rights Impact Assessment (COBHRA), an approach to human rights impact assessment that places affected communities at the centre of the process. It draws on communities as the primary source of evidence to identify impacts, assess corporate and government responses, and articulate needs for prevention and remedy. COBHRA does not replace audits, certification processes, or legal investigations. Rather, it complements these mechanisms by providing evidence grounded in the lived experiences of affected communities, which is often overlooked by assessments that primarily focus on administrative and technical compliance.

The COBHRA research findings in Mapur Village indicate that ecological degradation observed by community members, mounting pressure on living spaces and customary territories, precarious labor relations, and economic dependency have constrained residents' livelihood choices. Mining activities across the Mapur landscape, carried out both by Production Suction Vessels (Kapal Isap Produksi/KIP) at sea and through onshore mining operations, have triggered permanent changes to the landscape.

In coastal areas, extensive sedimentation caused by mine tailings has led to the destruction of mangrove ecosystems and coral reefs, directly undermining the economic potential of traditional fishers' maritime livelihoods. On land, the diversion and modification of river channels by companies to facilitate tin washing operations have resulted in the silting of river estuaries and the loss of much of the area's local biodiversity.

Furthermore, the clean water crisis has become an increasingly tangible threat, as communities are exposed to pollution resulting from the discharge of water from abandoned mining pits (known locally as kolong), which have extremely acidic pH levels and potentially toxic properties, into water supplies used by residents for their daily sanitation needs. This also adversely affects natural water sources. These health risks are compounded by limited transparency regarding the potential hazards of exposure to radioactive materials associated with by-product minerals such as monazite and other radioactive metals. The handling of these materials is often not accompanied by adequate requirements for the implementation of appropriate safety protocols.

In the socio-cultural dimension, the expansion of extractive industries has created acute conditions of tenurial insecurity[1] for the Mapur Indigenous People (Orang Lom). Their customary territories, which constitute their living spaces and the foundation of their cultural identity and spirituality, are now encroached upon by overlapping tin mining and oil palm plantation concessions. One adverse consequence is the emergence of an agrarian citizenship crisis.[2] Ancestral customary lands (tanah ulayat), inherited across generations, have been forcibly relinquished through corporate arrangements that are often manipulative and disregard the principle of Free, Prior and Informed Consent (FPIC). Ancestral customary lands (tanah ulayat), inherited across generations, have been forcibly relinquished through corporate arrangements that are often manipulative and disregard the principle of Free, Prior and Informed Consent (FPIC).[3]

[1] A condition in which individuals or communities face uncertainty or risks concerning their land rights, making them vulnerable to eviction, forced displacement, or loss of access to land.

[2] Agrarian citizenship refers to a concept that emphasises the rights of citizens, particularly farmers and rural communities, to access, control, and manage land resources equitably. It positions land as a fundamental basis of livelihoods and the struggle for food sovereignty, while demanding state recognition of customary and ancestral land rights.

[3] Free, Prior and Informed Consent (FPIC) is a collective right of Indigenous Peoples and local communities to give or withhold consent to projects proposed in their territories. This principle ensures that consent is given freely (without coercion), prior to the commencement of a project (in advance), and based on full and adequate information.

At the root of this problem is the failure to ensure the substantive, full, and meaningful participation of Indigenous Peoples. Instead, their involvement is reduced to a formal exercise intended merely to fulfil procedural obligations and administrative requirements. These findings highlight the disparity between the strategic benefits of tin at the national and global levels and the socio-ecological risks borne by communities in production areas.

Grievance Channels Exist, but Their Effectiveness for Communities Remains Unproven

In Mapur Village, issues surrounding mining governance and social impacts are closely associated with the presence of two major players in the local tin industry: PT Timah Tbk, a state-owned enterprise (SOE) that manages the largest and oldest tin mining concessions in the area, and PT Mitra Stania Prima, a private company that also operates tin mining concessions in Mapur Village. Both companies have expressed commitments to respecting human rights and provide information about their respective grievance channels on their official websites. PT Timah Tbk has also previously undergone the government's PRISMA assessment, while PT Mitra Stania Prima has communicated its human rights commitment through a statement issued by its company leadership. However, COBHRA findings demonstrate that the effectiveness of grievance mechanisms cannot be assessed solely on the basis of whether such channels exist. Rather, these mechanisms must also be known and trusted by affected communities, readily accessible, and capable of delivering follow-up actions and outcomes that rights-holders can assess. Field findings indicate that community members are unaware of any grievance channels operated by either company that they consider safe to use.

Principle 31 of the UN Guiding Principles on Business and Human Rights (UNGPs) establishes eight effectiveness criteria for non-judicial grievance mechanisms. These criteria are also relevant to the National Commission on Human Rights (Komnas HAM) Regulation on Norms and Standards No. 13 concerning Business and Human Rights. Table 1 summarises the experiences of communities in Mapur Village in relation to these eight criteria. The assessment identifies potential gaps based on community-level evidence and should not be construed as a formal compliance audit of companies' internal procedures.

Table 1. Indications of Gaps in Grievance Mechanisms Based on Principle 31 of the UNGPs

Effectiveness criterion	COBHRA findings in Mapur Village	Assessment
Accessible	Interviewed residents were unaware of the existence of companies' grievance channels or contact points. No evidence of outreach or communication regarding their rights and grievance procedures was identified.	Indication of a gap
Legitimate	Workers' ability to raise grievances depends on their proximity to operational management, while community members primarily communicate their complaints through village authorities.	Indication of a gap
Predictable	Grievances are addressed through verbal arrangements, without procedures, defined stages, timelines, or confidentiality safeguards known to the community.	Indication of a gap
Equitable	Community members engage with companies without assistance or access to information on the grievance process equivalent to that available to the companies.	Indication of a gap
Transparent	Communities do not receive adequate information regarding the receipt, status, rationale for decisions, or follow-up of their grievances. Findings concerning social funds reinforce perceptions of a lack of transparency, although they do not, in themselves, establish deficiencies in the governance of grievance channels.	Indication of a gap
Rights-compatible	Communities describe resolution processes as primarily oriented towards de-escalating issues in the short term. Available evidence is insufficient to assess whether all remedy outcomes are consistent with human rights.	Not yet fully assessable
A source of continuous learning	The community assessment did not identify publicly available documentation demonstrating how grievances have been used to improve policies or prevent incidents. Companies' internal learning processes could not be examined.	Not yet fully assessable
Based on engagement and dialogue	Information provided to residents has primarily taken the form of one-way communication regarding the commencement of operations. No evidence was identified of community participation in the design and evaluation of grievance mechanisms.	Indication of a gap

Source: Compiled from COBHRA field findings, PRAKARSA (2026), United Nations (2011), and Komnas HAM (2024).

The table shows that the existence of online grievance channels has not been used as the sole measure of compliance. From the community's perspective, the effectiveness of grievance mechanisms should be assessed based on community awareness, ease of submitting grievances, protection against intimidation, access to assistance, clarity of follow-up procedures, and whether outcomes are consistent with the rights affected. For criteria relating to internal processes, access to relevant procedures and case-handling records is necessary before any conclusions on compliance can be drawn.

The Pondi Incident as an Illustration of Unclear Pathways to Remedy

The COBHRA findings on limited access to grievance mechanisms gain further relevance in light of the mining accident in Pondi, Bangka Regency, on 2 February 2026, which claimed seven lives.[4] PT Timah Tbk stated that the activity involved unauthorised mining and took place outside the company's operational activities. Legal proceedings against those responsible for the illegal mining have been initiated, with the police naming suspects and referring the case to the public prosecutor's office in April 2026. However, these criminal proceedings follow a separate pathway from the victims' families' access to information and remedy. At the time this research report was prepared, no publicly available information had been identified regarding a dedicated mechanism through which the victims' families could obtain explanations, submit grievances, and access remedy for the losses they had suffered. The connections between the mining activities, ore collectors, and the tin ore purchasing supply chain also remained publicly unclarified (PRAKARSA, 2026).

The incident illustrates a procedural challenge that is also relevant to the COBHRA findings, where operational and business relationships remain unclear, communities need mechanisms capable of receiving grievances, impartially assessing available information, and referring cases to the competent authorities, independently of criminal proceedings against the direct perpetrators. A statement by one party concerning the legal status of an activity should not, in itself, serve as the sole basis for discontinuing preliminary inquiries into potential connections within the supply chain.

Limited Transparency of Grievance Mechanisms

Field findings reveal three interrelated barriers. First, there are information asymmetries and concerns about intimidation. Workers and community members are not always aware of grievance procedures, while some informants have expressed concerns about potential intimidation. Second, the layered nature of employment and business relationships involving partners, vendors, collectors, and small-scale miners can make it difficult to identify which parties are responsible for addressing grievances. Third, residents continue to rely on local intermediaries, particularly village authorities, which means that access to companies and information about follow-up actions does not always take place directly.

> *"We do not even know which number to call to report something. If we only report it to the security guards, we might actually face intimidation."*
>
> — Female household head informant, Mapur Village (PRAKARSA, 2026)

These findings do not suggest that operational-level grievance mechanisms within companies are unnecessary. On the contrary, the UNGPs encourage companies to establish or participate in operational-level grievance mechanisms.

[4] See the Kompas daily newspaper edition of 18 April 2026 at the following link: https://regional.kompas.com/read/2026/04/18/162258978/tragedi-tewasnya-7-penambang-timah-di-bangka-kasus-dilimpahkan-ke-kejaksaan

However, mechanisms that are entirely controlled internally, without the involvement of rights-holders, independent oversight, protection for complainants, and options for external escalation, risk failing to meet the effectiveness criteria of legitimacy and equity.

The limitations of internal mechanisms become particularly apparent when grievances concern corporate decisions, employment status, or business relationships within the supply chain. Under such circumstances, access to external escalation pathways is necessary. These mechanisms should be able to conduct impartial preliminary assessments, request information from relevant parties, and refer cases to legally competent authorities where mediation alone is insufficient.

Strengthening the Remedy Architecture

The UNGPs distinguish between state-based judicial mechanisms, state-based non-judicial mechanisms, and non-state mechanisms, which include company-level operational grievance mechanisms and multi-stakeholder mechanisms. Indonesia has established several mechanisms across these three categories. However, access remains fragmented, and the relationships between different pathways are not always clear to affected communities. Therefore, the policy priority is not to fill an absolute institutional vacuum, but rather to strengthen the effectiveness, allocation of mandates, and referral pathways between existing mechanisms.

Figure 1. Architecture of Remedy Mechanisms and Areas Requiring Strengthening in Indonesia

Layer 1 - State-Based Judicial Mechanisms

Courts and formal legal proceedings. Remains the primary avenue for determining legal liability and binding remedies.

Layer 2 - State-Based Non-Judicial Mechanisms

Mediation through Komnas HAM, Ombudsman, labor, and administrative mechanisms are available, yet remain fragmented. The National Contact Point (NCP) is currently under discussion as a supplementary mechanism for the OECD Guidelines.

Layer 3 - Non-State-Based Mechanisms

Encompasses operational-level grievance mechanisms, collective bargaining agreements, customary (*adat*) mechanisms, community/village-based deliberations, and multi-stakeholder initiatives. COBHRA findings highlight persistent gaps in access and trust at the community level.

Source: Developed based on United Nations (2011) and national policy developments up to August 2026.

The 2023–2025 period of the National Action Plan on Business and Human Rights, established under Presidential Regulation No. 60 of 2023, has ended, while the government is preparing the next policy framework. In August 2026, the Ministry of Human Rights, together with the Coordinating Ministry for Economic Affairs and the Ministry of Investment and Downstreaming/Investment Coordinating Board (BKPM), also initiated discussions on the establishment of a National Contact Point for Responsible Business Conduct (NCP). The NCP is one of the instruments for implementing the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and forms part of Indonesia's OECD accession process.

The NCP should be positioned as one component of the remedy architecture, rather than as a substitute for courts, the National Commission on Human Rights (Komnas HAM), regulatory authorities, or corporate grievance mechanisms. The NCP can receive specific instances, offer mediation, issue recommendations, and conduct follow-up activities; however, it does not exercise judicial functions or possess the authority to enforce compensation. Its institutional design should adhere to the OECD's effectiveness criteria and ensure that communities are aware of the mechanism, can access it without fear of retaliation, receive appropriate assistance, understand the process, and are able to assess the implementation of remedy outcomes. Cases falling outside the NCP's mandate should be referred to the relevant authorities.

Strategic Minerals and Commodities Exchange: An Opportunity to Strengthen Supply Chain Integrity Standards

Law No. 4 of 2026 mandates the Financial Services Authority (OJK) to regulate and supervise the Strategic Minerals and Commodities Exchange (Bursa Mineral dan Komoditas Strategis/BMKS). In September 2026, OJK issued OJK Regulation (POJK) No. 15 of 2026 concerning the phased transfer of authority from Bappebti, and POJK No. 16 of 2026 concerning the operation of the BMKS. POJK No. 16 of 2026, which takes effect on 1 January 2027, regulates the institutional framework and infrastructure of the BMKS, trading, clearing, warehousing, commodity quality and quantity inspections, market integrity, as well as grievance handling and dispute resolution. The issuance of these two regulations is consistent with the President's target for the BMKS to commence operations on 1 January 2027, supporting the establishment of Indonesian benchmark prices. With the main regulatory framework now in place, the next policy priority lies in developing implementing regulations and Exchange Regulations to integrate commodity origin traceability, human rights and environmental due diligence, and follow-up on remedy into the BMKS governance framework.

Market integrity is determined not only by price transparency, quality standards, and transaction settlement. COBHRA findings indicate that relationships among license holders, business partners, vendors, collectors, workers, and small-scale miners can make it difficult for communities to identify which parties are responsible for addressing their grievances. Accordingly, BMKS regulations should link commodity origin traceability with human rights and environmental due diligence, effective grievance mechanisms, and remedy reporting. Information provided by communities should not, in itself, establish legal liability or automatically suspend trading. However, it should be capable of triggering risk-based verification, requests for information, and referrals to relevant authorities. This framework is consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD, 2016), which establishes a five-step due diligence framework for mineral supply chains, as well as existing traceability practices implemented through schemes such as the International Tin Supply Chain Initiative (ITSCI) in the tin sector (ITSCI, 2026). Thus, the BMKS would not replace remedy mechanisms, but rather strengthen prevention and supply chain accountability in the critical minerals sector.

Policy Recommendations

Strengthening access to remedy in the critical minerals sector requires a combination of improvements to corporate grievance mechanisms, stronger state-based mechanisms, and clear referral procedures. Drawing on COBHRA findings from the Bangka Belitung Islands as a basis for policy learning, the following five measures should be prioritised at the national level.

1. The Ministry of Human Rights should lead the development of an integrated referral architecture for remedy mechanisms. A mapping of institutional mandates and procedures should be developed in collaboration with Komnas HAM, the Ombudsman, the Ministry of Manpower, the Ministry of Energy and Mineral Resources (ESDM), OJK, local governments, and other relevant institutions. Each grievance should be accompanied by information on the competent forum, the rationale for referral, applicable timelines, and available escalation pathways. The protocol should ensure that rejection by one mechanism does not terminate victims' access to other available avenues.

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2. The Ministry of Human Rights, the Coordinating Ministry for Economic Affairs, and the Ministry of Investment and Downstreaming/Investment Coordinating Board (BKPM) should design a community-accessible National Contact Point (NCP). Its procedures should accommodate both in-person and regional grievance submissions, provide assistance, ensure confidentiality and protection against retaliation, establish transparent admissibility criteria, set clear timelines, publish outcomes, and provide follow-up on recommendations. Its scope should be consistent with the OECD Guidelines and extend to local entities within multinational enterprise groups, as well as business relationships involving suppliers, vendors, collectors, and service providers. The critical minerals sector could serve as one of its initial priority areas.

3. The government should incorporate the effectiveness of grievance mechanisms and community-based verification into the next phase of the National Strategy on Business and Human Rights. Compliance assessments should not rely solely on the existence of a company website or corporate self-assessments. Indicators should include rights-holders' awareness of grievance mechanisms, their actual utilisation, protection of complainants, timeliness of responses, forms of remedy provided, and follow-up actions. Before a case is declared resolved, the implementation of agreed remedies should be verified jointly with the victims or affected communities, without prejudice to their right to pursue legal proceedings.

4. The Ministry of Human Rights and Komnas HAM should develop a protocol for receiving and utilising community-based human rights impact assessments. Community-based assessments, including COBHRA, should be recognised as complementary sources of evidence to supplement corporate self-assessments, trigger risk-based verification, and identify needs for prevention and remedy. Their implementation may involve affected communities, civil society organisations, academics, and relevant experts.

5. OJK, in coordination with the Ministry of Energy and Mineral Resources and the Ministry of Human Rights, should integrate supply chain integrity standards into the implementation of POJK No. 16 of 2026. This integration could be pursued through Exchange Regulations, membership requirements, and eligibility criteria for granting tradable status to strategic minerals and commodities. These requirements should cover commodity origin traceability, licensing status, relationships with suppliers and collectors, human rights and environmental due diligence, reporting of serious incidents, grievance status, and follow-up on remedy. Information submitted by communities should not, in itself, establish legal liability or automatically suspend trading. However, it should be capable of triggering risk-based verification and referral to the competent authorities. The OECD's five-step due diligence framework could serve as one of the technical references, adapted to Indonesia's legal system and the specific characteristics of its mineral supply chains.

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