

Bima regent revokes permit for troubled firm

Energy and Mineral Resources Minister Jero Wacik said Thursday that the Bima regent had revoked the mining permit of PT Sumber Mineral Nusantara (SMN) after a group of people burned the regent's office in West Nusa Tenggara (NTB).

A deadly clash between Bima residents and the police on Dec. 24 claimed two lives. The residents were protesting against the mining operation of SMN over concerns about disruption to their farms and plantations. SMN, a joint venture with Australia's publicly listed ARC Exploration Ltd., is still in its exploration phase. The permit for SMN covers a total area of 24,980 hectares.

"I regret that the revocation was implemented only after the people became angry and burned the regent's office. It shouldn't be like that. The issuance of a mining permit [locally known as an IUP] requires approval from local people in the first place," he said during a press conference, held to announce what he had done during his first 100 days as a minister.

Jero argued that regents should consult with local people through the Regional Legislative Council (DPRD) before issuing a permit. If the people agreed, he went on, the regional administration had to ensure that they would not lose their sources of livelihood.

"The most important thing is that people have to be assured of the benefits of mining activities in their region," he emphasized.

According to the 2009 Minerals and Coal Law, regional administrations have the full right to issue and revoke mining permits. The central government cannot force the administrations to revoke permits.

Jero promised that the central government would strengthen its supervision over the issuance of mining permits by regional administrations, to prevent similar cases to the one in Bima from happening elsewhere in the future.

"We hope that regional administrations are more careful in offering permits to mining companies," he said.

Mining permits remain problematic, however. The directorate general of minerals and coal at the Energy and Mineral Resources Ministry has estimated that around 60 percent of the 9,662 permits issued across the country have no "clean and clear" status.

The ministry's director general for minerals and coal, Thamrin Sihite, revealed that in the future, the government would use the 2010 governmental regulation on the supervision of the management of mineral- and coal-mining businesses to ensure that regional governments followed standard operating procedures in issuing permits.

"If they [regional governments] don't follow the procedures, we'll warn the heads of the regions," he said.

As previously reported, the Indonesian Mining Association (IMA) said the old system — where the right to issue mining permits was held by the central government — was better than the existing one. Many problems, such as overlapping permits, appeared after the implementation of the new law, which came into force in 2009, the association argued.

A police tribunal in Mataram, NTB, handed down last week a disciplinary punishment to two police officers for "aiming guns at a crowd" during a protest against the mining company. No officers were found guilty of firing shots.

Central Kalimantan has had consistent economic growth of around 6 percent for the last 6 years. Unfortunately, the growth in Central Kalimantan came from unsustainable practices in agriculture and mining. To become a “green” province, Central Kalimantan needs to curb such quick-yielding but destructive activities, and move toward a low-emission development path at the earliest opportunity.

The challenge for the national government in Jakarta, and also for the international community, is to create an enabling environment in Central Kalimantan through sufficient incentives and a supportive policy environment in implementing sustainable development. Such incentives are needed sooner rather than later, and REDD is currently the only scheme on the table for immediate utilization.

Research in has shown that based on current practices, emissions levels in Central Kalimantan in 2020 are expected to be 50 percent higher than emissions in 2005, making it one of Indonesia’s highest emitting provinces with about 17 percent of the total national emissions in Indonesia. Forest fires, palm oil and peat decomposition are the largest drivers of emissions in the province.

The chair of Indonesian REDD Task Force, Kuntoro Mangkusubroto, at an event on the sidelines of the COP-17 meeting in Durban, acknowledged the complexity of land tenure problems in Central Kalimantan.

The province is suffering not only from the continuing impacts of the failed Mega Rice project under president Soeharto’s administration, which has damaged hundred of thousands of hectares of peat land forests, but also from overlapping concessions between central and provincial level authorities, and between different sectors. The fact that indigenous people’s rights have not been fully recognized makes such overlapping concessions a problem of an even more sensitive nature.

The complicated challenges in implementing sustainable development are not unique to Central Kalimantan. However, with a relatively small area to work with, compared to more than a hundred million hectares of forests through out Indonesia, the government can experiment with selected sectoral reforms and integrated approaches.

Simply said, the REDD+ Task Force and the Central Kalimantan government will embark on a review of existing licenses for mining and plantations within a few selected districts, and explore the legal options for honoring the rights of indigenous people. The Central Kalimantan pilot project will allow the world to share lessons learned.

But, our determination can only yield results if the developed countries are serious in both acknowledging their historical responsibility in accumulating CO₂ in the atmosphere and changing their polluting lifestyles.

Though one can be sympathetic to the domestic challenges in the US, Japan, Russia and Canada to support the second period of commitment under Kyoto Protocol, their absence in committing to the only global regime to reduce carbon emissions is a betrayal to more than 180 countries that have worked hard to keep the earth safe for humanity and all other species.

It is also absurd to demand developing countries such as China, India, Brazil, South Africa and Indonesia, to commit to reducing emissions, while the advanced economies, with almost half of the global GDP, continue to live in amnesia of their past responsibility and dodge their responsibility to reduce future carbon emissions.

Such ignorance will exacerbate the delays in the implementation of REDD+ activities and further discourage communities and companies to cut emissions from Indonesian forests and peat lands.

The writers are staff members of the presidential office on climate change.