

## Martabe mine installs pipes to channel waste

The Martabe gold mining company began installing pipes on Monday to channel waste from its gold and silver processing facility to the Batang Toru River in South Tapanuli, North Sumatra. The company, owned by PT Agincourt Resources, a subsidiary of Hong Kong-listed gold producer G-Resources Group Ltd, said it began the pipe installation, which had been suspended for two months, after reaching an agreement with the local community.

G-Resources Martabe communications manager Katarina Siburian said the pipe installation work was running smoothly thanks to support from the local community, the local administration and the police. Siburian added that the pipeline would span around 2.7 kilometers to the Batang Toru River. She said the pipes would be buried at a depth of 1 meter and pass through a plantation owned by state plantation firm PT Pekebunan Nusantara (PT PN) III and private land it had relinquished to residents earlier.

“The pipe installation will take two weeks and it is expected to be completed on Nov. 11, 2012,” Siburian told The Jakarta Post on Monday. She added that the company would reinstate 1,200 workers whom it had suspended early this month, upon the completion of the pipe installation.

G-Resources was reported to have laid off most of its 2,700 workers after activities at the Martabe gold mine were suspended in September, following protests by local residents against the pipe installation to channel waste to the Batang Toru River. Residents demanded the company dump the waste directly into the sea because they feared it would otherwise pollute the river.

Siburian said that before the company decided to resume the pipe installation, it had employed persuasive approaches by involving various societal elements to promote deliberation to reach a conclusion that would benefit both sides.

Siburian added that among the points agreed upon were that the company must guarantee that water channeled to the river met the standards stipulated in a 2004 Environment Ministry decree, build clean water facilities for residents, extend the scope of its corporate social responsibility program beyond the village and prioritize employing local manpower based on job opportunity, competency and skills required by the company.

She said the agreement would be jointly maintained so that no one was put at a disadvantage. G-Resources advisor Arif Siregar, who was former Indonesian Mining Association head, said the protest against the pipe installation was due to outside intervention. According to Arif, the local community had never disputed the pipe installation.

“Those who are against the pipe installation are outside parties [upset over] the unequal division of funds,” Arif told the Post on Monday. Arif criticized the stance of the government and security personnel, who he said had not been firm with a group of people who had meddled in the issue.

North Sumatra Mines and Energy Office head Untungta Kaban said his office warmly welcomed the agreement between the company and local residents. Kaban added that the provincial administration supported the company’s initiative to resume operations so that suspended workers could be reinstated.

Separately, North Sumatra Environmental Agency (BLH) head Hidayati said that according to the Environmental Impact Analysis (Amdal), Martabe’s mining waste disposal was in line with standards. Hidayati added that based on the Amdal, the company handed over to his agency, the company would restore the environment in the event of environmental damage caused by the waste.