



# **ENVIRONMENTAL ISSUES: ILLEGAL MINING AND HAZE**

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# ILLEGAL MINING ISSUES

(REF: ISKANDAR ZULKARNAIN,  
LEMBAGA ILMU PENGETAHUAN INDONESIA, "**PERTAMBANGAN ILEGAL DI INDONESIA DAN  
PERMASALAHANNYA**")

# ILLEGAL MINING DEFINITION

MINING AND QUARRYING ACTIVITIES CARRIED OUT BY CORPORATIONS OR INDIVIDUALS WITHOUT LICENSE AND NOT IN ACCORDANCE WITH GOOD MINING PRACTICE

# ILLEGAL MINING VS. SMALL PUBLIC MINING

- **ILLEGAL MINING**

ILLEGAL MINING, OR ILLEGAL QUARRYING ACTIVITY GENERALLY OPERATED BY PEOPLE USING SIMPLE EQUIPMENT, WITHOUT LICENSE, WITHOUT OBSERVING ENVIRONMENTAL PROTECTION AND SAFETY, INVOLVING INVESTORS AND TRADERS. IN SOME CASES, MAY BE OPERATED BY CORPORATIONS.

- **PUBLIC MINING**

MINING ACTIVITY OPERATED BY COMMUNITY LEGALLY (WITH LICENSE) USING SIMPLE EQUIPMENT IN A PUBLIC MINING AREA (LAW NO. 4 YEAR 2009 ON MINERAL AND COAL MINING)

# FACTS

- PUBLIC MINING IS LEGAL BY LAW
- ALMOST ALL MINING ACTIVITIES CARRIED OUT BY PEOPLE ARE ILLEGAL
- WHO DO ILLEGAL MINING?
  - LOCAL PEOPLE AND NEWCOMERS, ACTING AS MINERS, INVESTORS AND/OR TRADERS
  - CORPORATION OPERATING ILLEGALLY OR OUTSIDE THE CONCESSION AREAS

# PROBLEMS OF ILLEGAL MINING

- **INSIDE CONCESSION AREAS**

- CREATES PROBLEMS WITH THE LICENSED CORPORATIONS
- SAFETY IGNORANCE
- ENVIRONMENTAL DAMAGE THREATENING SETTLEMENTS

- **IN FOREST AND CONSERVATION FOREST**

- POTENTIAL CONFLICTS WITH THE REGIONAL AUTHORITY AND MINISTRY OF FORESTRY
- FOREST DETERIORATION

# STATE OF THE ART

- POLICY

- LAW NO. 4 YEAR 2009 ON MINERAL AND COAL MINING DOES NOT PROPERLY ACCOMMODATE PEOPLE'S ASPIRATION. ILLEGAL MINERS OFTEN REPRESSIVELY HANDLED. NEED CAREFUL LAW ENFORCEMENT

- MODALITY

- LAG OF KNOWLEDGE AND CAPABILITY OF THE PEOPLE
- SOCIO-ECONOMICALLY WEAK
- LOW PERCEPTION

- INSTITUTION

- OPERATIONALLY AND CAPITALLY UNORGANIZED
- COMMUNAL ACTIVITY

- TECHNOLOGY AND ENVIRONMENT

- TECHNICALLY UNSAFE AND UNHEALTHY MINING OPERATION
- INEFFICIENT PROCESS
- POOR WASTE TREATMENT

# CURRENT SITUATION

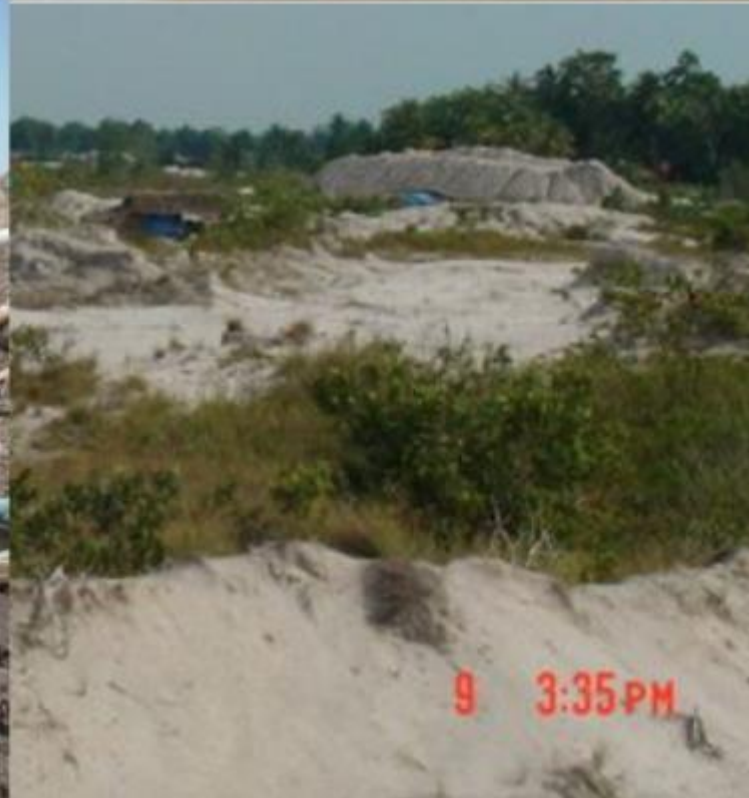
- MINISTRY OF ENVIRONMENT AND FORESTRY INDICATED 8,683 ILLEGAL MINING LOCATIONS COVERING ABOUT 500,000 HA AROUND INDONESIA (SEPT 10, 2018)
- AS MANY AS 352 LOCATIONS WERE VERIFIED AS ILLEGAL MINING SITES OF SAND AND STONE (37%), GOLD (25%), FOUND IN ALL PROVINCES EXCEPT THE CAPITAL CITY OF JAKARTA. ABOUT 84% MINES WERE STILL IN OPERATION, WHILE THE REST 14% WERE INACTIVE OR IN RESTORATION PROCESS. ABOUT 52% OF THE LAND ARE PRIVATE PROPERTIES, 31% STATE OWNED, 2% CONSERVATION FOREST, 9% PRESERVED FOREST, AND 6% PRODUCTION FOREST
- PRIVATE PROPERTIES RESTORATION SHOULD BE DONE PRUDENTLY IF USING STATE BUDGET OR CORPORATE SOCIAL RESPONSIBILITY PROGRAM
- SOME RESTORED LOCATIONS HAVE BECOME ECO TOURISM DESTINATIONS
- POTENTIAL LOSSES OF THE STATE INCOME ESTIMATED AT RP. 315 BILLION/YEAR, RP. 38 TRILLION/YEAR IN CASE OF ILLEGAL GOLD MINING, NOT TO MENTION THE COST OF ENVIRONMENTAL DAMAGE

# SOLUTION

- PROMOTE REGIONAL GOVERNMENT OWNED ENTERPRISES AND COOPERATIVES AS BUSINESS ENTITY MINING LICENSEES, EMPLOYING LOCAL PEOPLE, ADHERING TO GOOD MINING PRACTICE
- ISSUE MINING LICENSE TO CORPORATIONS WITH COMMITMENT TO ALLOCATE AN AREA WITHIN THE CONCESSION TO LOCAL COMMUNITY TO PARTICIPATE IN THE MINING PROCESS UNDER LEGAL AGREEMENTS
- IMPROVE THE TECHNICAL CAPABILITY AND PROVIDE FINANCIAL SOURCES TO ENABLE PUBLIC MINERS TO OPERATE IN PUBLIC MINING AREAS
- LAW ENFORCEMENT













# **MINIMIZING HOTSPOTS AND SUSTAINABLE PEAT MANAGEMENT**

**(REF.: FGD MRC , JAKARTA, MARCH 1, 2016)**

# PRESIDENTIAL DIRECTIVE (1/3)

## AT THE NATIONAL COORDINATION MEETING ON FOREST AND LAND FIRE PREVENTION 2016 STATE PALACE, JANUARY 18, 2016

- PREVENTION AND EARLY WARNING
  - ARM FORCES AND POLICE AT ALL LEVELS SHOULD TAKE CONCERTED EFFORTS TO PREVENT FIRE
  - SUPPORTED BY NATIONAL AGENCY FOR DISASTER PREVENTION AND LOCAL GOVERNMENTS
- REWARD AND PUNISHMENT
  - OFFICIALS WHOSE TERRITORIES SHOW AN INCREASE IN NUMBERS AND INTENSITY OF FIRES WILL BE REPLACED, WHILE THOSE WHOSE TERRITORIES IS IN GOOD CONDITION AND WITHOUT FIRE WILL BE PROMOTED

# PRESIDENTIAL DIRECTIVE (2/3)

AT THE NATIONAL COORDINATION MEETING ON FOREST AND  
LAND FIRE PREVENTION 2016  
STATE PALACE, JANUARY 18, 2016

- IMPROVEMENT AND PRESERVATION OF ECOSYSTEM
  - NO NEW PERMIT ISSUED IN PEAT AREA
  - THE MINISTRY OF ENVIRONMENT TO TAKE OVER BURNED PEAT AREAS
  - AGENCY FOR PEAT RESTORATION SHALL PROMPTLY TAKE ACTIONS IN THOSE AREAS
- SITE VISITS
  - ALL PARTIES SHOULD VISIT PEAT AREA, NOT JUST MONITOR FROM THE OFFICE

# PRESIDENTIAL DIRECTIVE (3/3)

AT THE NATIONAL COORDINATION MEETING ON FOREST AND  
LAND FIRE PREVENTION 2016  
STATE PALACE, JANUARY 18, 2016

- LAW ENFORCEMENT
  - FIRM LEGAL ACTIONS TOWARDS INDIVIDUAL/CORPORATIONS INITIATING FOREST AND LAND FIRE, IMPOSING ADMINISTRATIVE/CIVIL CODE/CRIMINAL SANCTIONS
- SYNERGIZING CENTRAL AND REGIONAL INITIATIVES
  - EFFECTIVE ACTIONS TO PREVENT AND MITIGATE FOREST AND LAND FIRE BY STRENGTHENING SYNERGY AMONGST GOVERNMENT INSTITUTIONS AND ELIMINATING EGO SECTORAL BEHAVIOR



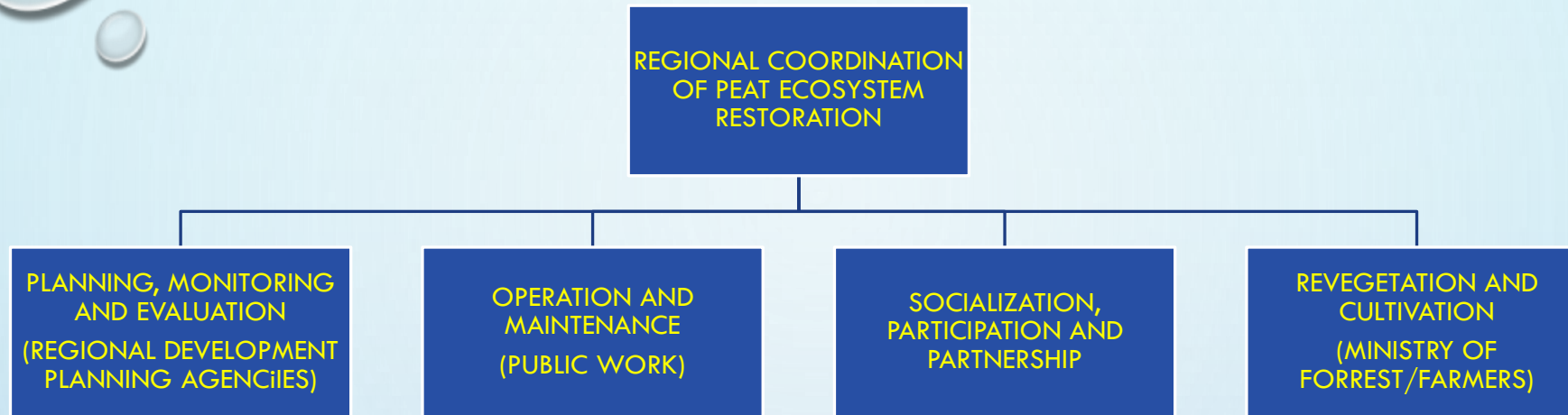
*“Periodically I will visit sites to make sure that we will be able to successfully prevent forest and land fires – Keep on working, do not wait until haze happens again” (President of the Republic of Indonesia)*

# WHY DO WE NEED TO MINIMIZE HOTSPOTS AND SUSTAINABLY MANAGE THE PEAT ?

- FOREST AND LAND FIRES IN 2015 WAS EXTENSIVE AS A RESULT OF PEAT FIRE
- THE SOIL MATERIAL CONTAINS OF COAL, OIL AND GAS
- THERE'S NO CONTROL SYSTEM
- DRY SEASON (EL-NINO)

## SRATEGY

1. STRENGTHENING OF SYSTEM
  - 1) Early Warning System
  - 2) Risks and mitigation management system
  - 3) Ecosystem management system
  - 4) Peat water management system
  - 5) Permit system
  - 6) Local participation system
  - 7) Social forestry system
  - 8) Environment conscious promotion system
2. IMPROVEMENT OF FIELD OPERATION  
integrated operation, regional coordination, Army, Police, public figures, NGOs, media (targeting 633 fire prone villages)
3. LAW ENFORCEMENT  
multi-doors, multi-layers breakthrough, strengthening and consistency of actions
4. SYNERGY of stakeholders, knowledge pooling, cheering-up



### **FUNGTION:**

- 1. Coordination and policy formulation of peat restoration**
- 2. Planning, control and partnership for peat restoration program**
- 3. Mapping of peat hydrology**
- 4. Mapping of conservation and cultivation zones**
- 5. Construction of peat rewetting infrastructures and supporting facility**
- 6. Restructuring of burned peat area management**
- 7. Peat restoration socialization and education**
- 8. Supervision of infrastructure construction, operation and maintenance in concession areas**