

# Community in the dark over nickel mine

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Halmahera Island, Indonesia.

A vulnerable Indonesian community has been let down by a failing legal system and international human rights mechanisms, according to a new report.

With nickel use growing at about 4 per cent every year the report reveals communities in eastern Indonesia's Halmahera Island are being economically displaced by the PT Weda Bay Nickel Mine, a subsidiary of French mining company Eramet. The island has one of the largest deposits of nickel in the world.

Undertaken by researchers from Monash University, Deakin University and the Australian National University, the report examined the access the indigenous communities affected by the mine had to justice.

Lead author and international expert on corporate accountability, Shelley Marshall from Monash University's Department of Management said the report raises significant concerns that international norms and Indonesian laws have been breached.

"Despite the company's commitment we found the communities impacted by the mine have not had their right to free and informed prior consent and consultation respected," Ms Marshall said.

The report confirmed the Indonesian Human Rights Commission (Komnas HAM) findings that community members who will lose access to their farming land were pressured and intimidated to sign agreements with the company.

Indigenous rights expert, Dr Samantha Balaton-Chrimes from Deakin University said the communities were being poorly compensated.

"The farmers are being compensated with cash only at a very low rate of IDR 8000 (less than 80 US cents) per square metre; less than the amount required to purchase a single meal," Dr Balaton-Chrimes said.

"This is in clear breach of international norms and a fast-track to the creation of more landless poor in Indonesia."

The report also found the communities were being let down by the local legal system and other redress mechanisms. Komnas HAM's findings and recommendations were largely ignored in Indonesia, where the Human Rights Commission lacks enforcement powers.

"Aggrieved community members lodged a complaint with the ombudsman of the World Bank's IFC and MIGA, but he was unable to help resolve the case because [community members](#) were too scared to participate in mediation with the company," Ms Marshall said.

"The ombudsman has been so far unwilling to take further steps, such as conducting an audit. Due to changes in Indonesian mining and foreign divestment laws, re-negotiations are now underway regarding the operational stage of the mine. Whether communities facing a loss of livelihood will also have the opportunity to negotiate for a more equitable deal remains to be seen."

The full [report](#) is titled "Access to Justice for Communities Affected by the PT Weda Bay Nickel Mine."

**More information:** [www.buseco.monash.edu/blt/rese ... linkage-project.html](http://www.buseco.monash.edu/blt/rese...linkage-project.html)

Provided by Monash University

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