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Down to Earth

International campaign for ecological justice in Indonesia

The rush to extract profit:
UK involvement in the mining oil and gas sector in Indonesia
Introduction

- UK companies
- Government
- Indonesian realities – impacts on the ground
  - Mining advocacy and campaigning
  - Sustainable mining?
UK mining, oil and gas companies operating in Indonesia

- BP
- Rio Tinto
- BHP Billiton
- Bumi plc (now Asia Resource Minerals)
- Churchill Mining
Government

UK – Indonesia bilateral relations
UK government interests
Indonesian government interests
International institutions and regulation
Indonesian realities

- Wealth of untapped natural resources
  - Governance issues
    - Poverty
    - Corruption
  - Climate change
- Human rights situation
ESDM = PENJAHAT LINGKUNGAN
Sustainable development and mining?

- Development as a dirty word
  - MP3EI
- Pressure from the business world
- What do communities actually want?
- Difference between rural and city communities
Governance of the mining sector

- Bumi scandal
- Financial sector responsibility
- Light-touch regulation and the FCA
  - UK parliamentary inquiry
    - Issuing of permits
    - Decentralization
- Political involvement in mining industry
Impacts of mining on people, particularly indigenous peoples

- Indonesian Consititutional Court decision (MK35/ 2012)
- Pak Gagai and displacement at the KPC mine
  - BHP Billiton and Central Kalimantan
- Freeport / Rio Tinto and the Grasberg mine
  - BP Tangguh
Human rights and mining

- Grasberg mine and Komnas Ham report
- Security forces involvement in mining zones
  - Worker conditions
  - Company violations
  - Complicity
Access to information, participation and justice

• BP and communities in Bintuni Bay
• Grasberg mine and community resistance
  • Maruwai village
  • Public protest
• Shareholder activism
Environmental considerations

- Heart of Borneo
- Tailings
- EIAs
- Climate change impacts
- Bio-diversity off-setting and greenwash
Responsibility and liability of mining companies

- Shareholder activism
- Regulation and UK parliamentary inquiry
- Corporate social responsibility programmes
  - Divide and rule tactics in communities
  - The tax-payer defence
  - New alliances and “off-setting”
Conclusions

- Business agenda dominates development agenda
- Local communities and environment lose out to advances of mining companies
- Rule of law counts for little in remote communities
- No regulation and oversight by governments towards mining industry
- Vested interests mean that little positive change is on the horizon