Buyat Case: An Advocacy Against the Giant PT. International Newmont

by

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Abstract

One key of the successful advocacy is a good networking amongst advocates. Bell and Delaney has shaped the important of networking by building coalition using diversities emerged from the community to be collaborated. Buyat case is one of the successful advocacy for marginalize people in Buyat pante village through some disputes with the giant gold miner, PT Newmont Minahasa Raya. This study case will show the significant coalitions amongst academicians, NGO workers, Government, researchers, and medias had succeed to advocate Buyat community in the same objectives which getting the community's rights back and protecting the environment from further destruction of mining process.

Keywords: Buyat Case, Pt. International Newmont, Advocacy

Background of the disputes

Buyat bay is a beautiful bay at Northern part of Sulawesi Island about 4 and half hour from Menado, the city of North Sulawesi. On shores covers by white soft sand fulfill with diversities of natural sea plant and fishes off shores. Buyat village has been a transit place for minnow fishermen since 1978. Over the years, the place has gradually turned into a village with many fishermen settling there. Buyat Pante village has settled by 70 households and 280 people which most of the villagers' livelihood are fishermen. But since Buyat people suffered from "skin disease" that has been assumed by eating "sick fishes" from Buyat bay, they stopped consuming and selling fishes to local market. At the time no one thought that the strange disease caused by polluted sea water which has been resulted by tailing process of PT. Newmont Minahasa Raya.

As well as other islands in Indonesia that famous as mineral rich

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countries, Buyat had contributed in national mining sector since PT. Newmont Minahasa Raya (NMR), a giant Multinational Mining Company, has signed an agreement with Indonesia Government to do gold mining production at Buyat bay from 1995 to the next ten years. Mining Advocacy Network (JATAM) claimed that mining sector had contributed Rp 1.3 trillion (US$136 million) and Rp 2.3 trillion to the national budget.

However, JATAM also reported in 2005 that four decades of legal mining had contributed little to improving the Indonesian economy but had heavily damaged the country's environment. The major post-mining threats are posed by huge multinational companies that have been exploiting mineral resources in Indonesia for decades.

Besides that PT. Newmont Minahasa Raya lately had been known as caused water sea pollution in Buyat bay according to researchers and Kelola (NGO in North Sulawaesi that concerning about environmental and continuing to assist Buyat pante resident to fight to PT.NMR). Most of Buyat Pante resident suffered from the pollutant bay because they could not catch the fish anymore or could not eat fish from the bay. Also, some villagers occurred strange skin disease such as headaches, cramps in their legs and arms, spasms, swelling, and tumors that they believe by eating fish from the pollutant bay. What is worse, PT.Newmont, Local Community Clinic of Ratatotok (PUSKESMAS), Ratatotok regency staffs denied that the strange disease caused by PT. NMR tailing. The fact that PT.NMR developed the Buyat Pante Village by building public facilities such us electricity, clean water, transportation for children to school, and lately tourism facilities, could blur public opinion about “PT.NMR sins”. Moreover, Buyat Pante residents could not get support from their regency because of the uncertainty identity of their village whether they are a part of Bolaang Mogondow regency or South Minahasa. Both of these regency would not take some risks to protect the villagers. Lastly, Buyat Pante resident suffered by all complicate condition and no one could believe what they face because they did not have power, voice, and access to the stakeholders. Indeed the fighting between Buyat Pante residents against PT. NMR likewise fighting between an

elephant versus an ant.

The dispute amongst the Buyat Pante Residents, Government, NGOs and PT. Newmont Minahasa Raya

The buyat case itself brings dilemmas for Indonesia government. On one hand mining production contributed to national income and to Indonesia's economic growth. While mining production endangered environment. Furthermore the Buyat bay case seems to be economy and political conflict rather than environmental aspect due to PT.NMR is the second gold miner in the world, which subsidize by the US. Therefore, many critics said that government has the onus to prove that Buyat Bay has been polluted and that PT Newmont Minahasa Raya (NMR) has caused this pollution. The fact, only recently has the government reacted to the public outcry following a "strange" disease allegedly resulting from the consumption of fish from the polluted bay. The critics also said that governmment's reaction was very late to help both the villagers and the environment.

The fact, United States Ambassador to Indonesia Ralph L. Boyce visited National Police chief Gen. Da'i Bachtiar on September 2004 had gain some protests, which said it was an attempt to intervene in the legal process against PT Newmont Minahasa Raya. Even though Boyce denied the public opinion that his visiting was a hand of U.S government to intervene the court decision about the executive of PT.NMR.

PT. Newmont Minahasa Raya faces complaints from environmental groups and North Sulawesi residents over its tailings in the sea via a mechanism called submarine tailings disposal (STD). Submarine Tailing Disposal (STD) still goes on regardless of number opposition from the community, individuals and environmental NGOs. Since tailing disposal very likely creates serious environmental problems and there is a high level of uncertainty concerning its safety. They say toxic wastes from the firm's tailings cause pollute the waters buyat, thereby endangering people's livelihood there. In this regard, Prof. Emil Salim (Ministry of Environmental), at the meeting of the World Bank Extractive

Industries Review (EIR) last year stated that such tailings clearly degrade the marine and coastal environment.

Even though the company responded earlier by saying that STD was the best mechanism to dispose of tailings, guaranteeing that it would not harm the biodiversity of the strait as the tailings would be deposited on the ocean bed 800 meters to 1,200 meters below the surface of the ocean and would be similar in character to the sediments on the ocean floor. However, According to JATAM (Mining Advocacy Network) data, PT NMR dumped 2,000 cubic metres of tailings per day into Buyat Bay waters causing many fishes to die and heavy metal contamination of the waters.

The heavy metals that had pulluted the bay's waters included mercury, arsenic, lead and antimony. Dead fishes and heavy metal contamination were found within a radius of 100-150 meters from the point where PT NMR disposed of its tailings into the sea.

Following this disputes, Buyat Pante residents had been divided to pros and cons for PT.NMR. Some people who pros said that strange disease such skin disease by villagers had not related to tailing process by PT.NMR. Further the company gave them some benefit by providing a job for villagers, but after the case exposed they have to stop working due to the closure of the company. Many of villagers became jobless after the company ceased operations on Aug. 31, 2004.

On the other hand, people who cons to this company described the condition of this fishing village had previously been deplorable in terms of its environment, being surrounded by swamps and mud, and with no public facilities at all. With the coming of PT NMR in 1996, dredging works were carried out, and the village is no longer swamped by water. They accuse the U.S.-controlled gold mining company of only causing disease for them by polluting their sea, where they are finding it more difficult to catch fish. After the case, they have to sail up to 60 miles from their village, and stay for days at sea, in order to be able to catch fish with higher economic value that they can sell in Manado, the capital of North Sulawesi. They also claimed that they could no longer catch fish

in Buyat Bay because the water is said to be polluted. Tibo-tibo (fish brokers) won't buy fish caught from Buyat Bay. What is worse still, most local people refused to buy fish from Buyat fishermen, even though they caught the fish in other areas. The situation has worsened, as they had to buy instant noodles to eat as a replacement for fish.When the pollution case surfaced in June 2004, even more local residents stopped consuming local fish.

An Advocate to the Buyat Pante Residents

It's a classic case. A multinational company is operating in a region and the local people feel alienated. It's frequently happened in various parts of the country but the Buyat case is the biggest dispute against MNC in Indonesia. This time around, it's happening in North Sulawesi with the PT Newmont Minahasa Raya gold mining company in the spotlight. Any conflict would conjure up a David-Goliath fight. But the villagers are not alone.

Initially, Buyat is having been told of pollution dangers by activist Rignolda from the Kelola Foundation based in Manado. This environmental NGO also become the first NGO that advocated people in Buyat pante village. Rignolda, the leader of this avocation, found that it was not fair for the people to get the pollutant of the tailing process while the big MNC got most benefit of it. Moreover, the people have been alienated and marginalized by PT. NMR because the bay was not belonging by them anymore but PT.NMR. They also blurred public opinion of Buyat bay pollution by giving mislead publication to national media. They published issue that Buyat was not polluted bay, it supported by scientific research which told that arsenic and mercury level in the buyat bay was the same level with other bay or in a normal level.

Previously, The Buyat Bay advocate (by Kelola Foundation) purposed for at first, public acknowledge of the pollutant that happened in the Buyat bay. Indeed, this acknowledge would lead to deep investigation of PT. NMR that causing this problem. Secondly, due to arsenic contamination of the Buyat Bay therefore replacement for resident should be done soon. Then the government should give a good livelihood for the resident. Lastly, this advocate pushed the

government to close the mining production of PT. NMR.

At the time no goal had been reached by the Kelola Fondation because the Government seemed like to protect the relationship with PT.NMR, and also there were no other institutions who want to support and join with Kelola Foundation.

Finally, the advocation for the Buyat Pante people was stronger when it was supported by JATAM (Mining Advocacy Network), which joined to a team for study of tailing dispose at the Buyat bay in 2004. JATAM is a national NGO who concern of people and environment that have been suffered by mining activities in Indonesia. JATAM's support had blown this issue from local issue to the national issue. Then other institution e.g ICEL (the Indonesia Center for Environmental Law) and The Environmental Forum on Indonesia (Walhi) placed strong supporting fact that The Buyat bay had contaminated with arsenic therefore it forced the Government to take some actions through this case. Lastly, those NGOs joined together in the Buyat Bay Humanitarian Committee (KKTB) to advocate people of Buyat Pante. The fact, the residents who had demanded to be relocated since they felt insecure living in the area which allegedly had been polluted by hazardous waste. The leader of this team said the organization only facilitated the residents' wishes.

Networking in advocate brought strong effect to this case. It forces to both PT. NMR and the Government and also gives a clear opinion to the public what happened in the Buyat bay. In the Buyat-NMR case also shows that scientists are not entirely objective. Using different testing methods, they can, in good faith, have different opinions. Most importantly, they can also have different results depending on whom they are working for. Hence, in this case, we are encountering the question of which experts we should trust. For example, the scientific research from PT.NMR side has published that the Bay was not polluted.

However, a later study by this team, involving government officials, police, NGOs, and local experts concluded that Newmont, which disposed of its tailings in Buyat Bay from 1996 to this year, 2004, had contaminated the bay with arsenic. September 2004, police detained five Newmont executives for a

month. The government is suing the company for alleged pollution. Then, the government said it was ready to seek an out-of-court settlement.

Time of the advocate is also taking an important role in this case. After Suharto regime down at 1998, it raises some concern of every aspect in this country including mining and environmental side. Susilo Bambang Yudhono era (the president of Indonesia recently) gives more opportunity to look back the "blame" of former regime. Newmont, which obtained a permit in 1986 to operate the mine, is now caught in a new political setting. Unlike the 1980s, the government today does not have the luxury to stifle protest like the New Order regime used to do.

The Buyat case hit the headlines as environmental activists, academics, the villagers, the media, the bureaucracy and the mining company find themselves capable of airing their views in a new democratic environment. The result has been a confusing picture of a case that has baffled the public, and perhaps even the stakeholders, who are not used to such crossfire of views. Yet, this is common in a democracy especially in the political transition in Indonesia.

When the case is put to rest in the future, some aspects will likely remain unclear judging from the complex nature of a pollution case. All stakeholders have a steep learning curve in this new political setting. And as mining is an important industry, it is imperative that its activities are done in such a way that is acceptable to the stakeholders. To accomplish this, sound communication is a prerequisite.

The government needs to tell the public about its decision to allow Newmont to use the method. Is it because of differences in soil characteristics between Indonesia and those countries where the method is banned? Or is it because the government is so desperate to get investment that it compromises its own people? Or is it because the required environmental assessment (Amdal) issued by the New Order government was defective?

When a multinational company operates in a region, its funding offered to the region is often mind-boggling. It is not a good government practice but it is a reality. To cite Newmont, such funding should have been able to improve the

standard of living of the people. Unfortunately, it does not seem to be the case.

In 2000, Newmont provided $1.5 million for the Minahasa Raya Foundation. The fund is supposed to be perpetual, meaning the foundation was only allowed to use the interest on the principal amount for the benefit of people in Minahasa Selatan. The $1.5 million fund itself was to remain in tact.

It is tempting to ask, where has all the money gone? How could villagers like those in Buyat live in poverty?

Wherever the case takes us, whether an in-court or out-of-court settlement, it is pertinent to address the sufferings of Buyat villagers. A highly commended visit by local government officials and local legislators was made to Buyat village to listen to what the people want to do. At the very least, it must be ensured that the villagers live in peace. The controversy has left them deeply divided, and an open conflict among villagers is the last thing that all stakeholder avoid.

The Current Result of Buyat Case Advocacy in 2004

- PT. Newmont Minahasa Raya closed the mining production at Buyat, North Sulawesi on June 2004. The manager said they closed due to the agreement between PT.NMR finished at the time not because they got force to closed the company.
- Some 66 families living in Buyat Bay decided to take their fate in their own hands, relocating from their homes in Ratatotok district, South Minahasa regency to a new location in Duminanga sub-district in Bolaang Mangondow regency, some 130 kilometers away. The relocation of the families which was done with the assistance of a number of relief agencies and 15 NGOs grouped under the Buyat Bay Humanitarian Committee (KKTB), was against the regental, as well as the provincial administration plan, which had earlier designated another location proposed by the central government's task force. The program was financed wholly by the KKTB without any government facilitation, while the Kelola Manado

Foundation, spearheaded by Rignolda Djamaluddin, acted as advocate in the program which took place on June 25,2004.

- From the Government side, Environment Minister Rahmat Witoelar said the Indonesian government will possibly sue US-based gold mining company PT Newmont Minahasa Raya (NMR) for up to US$100 million in damages for polluting Buyat Bay waters in North Sulawesi.

Conclusion

The Buyat case is one of the success advocate through disputes among the giant multinational corporation PT.Newmont Minahasa Raya against the Buyat Pante residents over the case of pollutant bay which had been contaminated by Submarine Disposal Tailing System that run by this company. Networking amongst some NGOs (Kelola Foundation, Walhi, JATAM, ICEL, and Buyat Bay Humanitarian Committee (KKTB)) resulted strong force to both the Government of Indonesia and PT. Newmont to produce some action which is pros to marginalize people and also policy that concern on environmental effect. This networking had succeed to gain public awareness from national and international coverage. Furthermore they could push the government to be part of them not to the PT.NMR.

Instead of the networking, timing of this advocate to Buyat case has contributed important role through the transition government from former Suharto Regime which more pros to PT.NMR prior to Indonesia's economic growth, to Susilo Bambang Yudhoyono who concern to recover of Indonesia's crisis.

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