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Official Statement of the People and the Sulawesi Alliance, Indonesia

Related to the G20 Summit Meeting in Nusa Dua Bali

"Save the Rainforests and the People of Sulawesi: Stop Financing and Investment in Mines, and Nickel Smelters and Their Supporting Coal Power Plants in Indonesia. Electric Vehicles Are a False Solution to Climate Change"

The G20 Summit will be held in Nusa Dua Bali. The leaders of developed and developing countries will gather to discuss problems that are happening around the world, especially the economic crises that countries in Europe and America are starting to experience. These crises will also hit Indonesia and other countries of the global South because of their dependence on foreign investment. Therefore, one of the interests of developing countries in the G20 is to ensure that foreign capital belonging to European and American investors is not withdrawn from Indonesia due to rising interest rates in European and American banks. In fact, Indonesia's interest at the G20 summit is to convince developed countries to increase their investment in Indonesia, especially in the energy, transportation and raw materials sectors related to technology and electric vehicles.

We believe that at this G20 meeting, the Indonesian government will offer developed countries the potential for nickel contained in Indonesia's rainforests, especially on the island of Sulawesi. Moreover, Indonesia harbors ambitions to become a world-class producer of battery raw materials to support worldwide electric vehicle production. The Indonesian government is expected to host an electric vehicle exhibition with the theme of energy transition.

The Sulawesi Alliance, a coalition of NGOs on Sulawesi Island working for environmental protection and human rights enforcement, therefore feels it is important to express the aspirations and will of the people on Sulawesi Island to world leaders in the run-up of the G20 meeting. We deem this crucial because the policies of the Indonesian government often do not reflect the will of the people.

Leaders of the G20 countries – especially the United States, Canada, European countries, Japan, China and Australia – should note that the standard of living of people in Indonesia, especially those living around forests, is currently decreasing. This especially holds true for farmers and fishing families living around nickel mines and smelters and their dirty power plants. Before nickel mining expanded into the rainforests in Sulawesi, farmers in Morowali, North Morowali (Central Sulawesi), East Luwu (South Sulawesi), Konawe, North Konawe and other districts in Southeast Sulawesi could rely on two harvests a year. However, after the nickel mines and smelters began operating, the communities experienced numerous crop failures because their rice fields were polluted by mining sludge and smelter waste. Farmers were forced to sell their rice fields because they were no longer viable.

The pollution of rivers and seas is an inevitable impact of nickel mining and smelting. Leaders of countries promoting electric mobility should know that the destruction on Sulawesi Island due to nickel mines and smelters is not only a local issue in the rainforests, but it also extends to the coastline. With every rainfall, mining mud is washed into Malili

River in South Sulawesi, turning it red. The mud is carried out to sea, polluting the coastline, decimating fish stocks and impacting the livelihoods of fishing families, forcing them to sail further out than before to catch fish. The same holds true in Lampia Village, Malili Regency, South Sulawesi, where the mud of the former mine directly pollutes the sea. The WALHI Sulsel team has observed that nickel mining mud contamination on the Lampia coast has reached 100 meters into the sea, also affecting the mangrove forests on the coast of Lampia. This has dramatically impacted the livelihoods of Lampia fishing families.

The impact of nickel mining is also experienced by women: For women in Sorowako, especially of the indigenous Karonsie people, nickel mines and smelters owned by Canadian and Japanese companies have shattered their dreams of a good, self-sufficient life by cultivating their own land. Their customary land and gardens have been taken by nickel mining companies without compensation and even converted into a company-owned golf course. They no longer have access to clean water and are forced to consume dirty river water polluted with nickel mine mud. The current settlement has been fenced off in utter disrespect of the customary land rights of the Karonsie people.

The expansion of the most recent nickel mining sites in South Sulawesi has led to evictions and the seizure of community-owned pepper gardens that gave local people a good income, supporting their families for many years. Social conflict is pre-programmed here.

Portraits of rainforest destruction that have an impact on the destruction of people's sources of life, especially women, also occur in Central and Southeast Sulawesi. In central Sulawesi, precisely in Morowali and North Morowali Regencies, due to mining sludge and tailings waste from Chinese companies' nickel smelters, fishermen in Morowali have to resign themselves to losing their livelihoods because the coasts and seas that have been the source of fishermen's income have been polluted with sludge from former nickel mines and nickel smelter waste. As a result, fishermen decided to stop fishing and chose to become construction workers and smelter factory workers whose income was far compared to when they were fishermen.

In Central Sulawesi, the worst thing today is that mining and construction of nickel smelter have created agrarian conflicts. In North Morowali District, farmers' rice fields and gardens have been forcibly taken by the company without consultation and compensation. The community now has to live without land because the land which is the only source of livelihood for the community has been lost because it was taken by force for mining companies and the construction of nickel smelters. So for us, the expansion of nickel mining on Sulawesi Island is a catastrophe for the community, especially farmers and women.

Apart from the huge impact of nickel mines and smelters on the forests, rivers, coasts and communities of Sulawesi Island, we firmly believe that nickel, batteries and electric vehicles are not a panacea to the global climate crisis for the following reasons:

1. Increasing the production of nickel in Indonesia, as well as batteries and electric vehicles in the global North, directly contributes to the destruction of rainforests, especially those on Sulawesi Island. These rainforests are vital to the environment, people's lives and the world climate. Rainforests on Sulawesi Island sequester carbon emitted by factories in Indonesia, as well as industries and fossil fuel power plants in the global North. It is therefore very wrong to call the electric vehicle industry – whose raw materials are obtained from forest

destruction – environmentally friendly and a solution to climate change.

2. 80 percent of the electrical energy that drives nickel smelters in Sulawesi is sourced from coal-fired power plants. This is certainly contrary to the principles of sustainable development, environmentally friendly business and climate change mitigation that are currently being voiced by world leaders. The use of coal-fired power in smelters actually doubles the emissions associated with producing nickel.

3. By increasing demand for coal, higher nickel production in Sulawesi is thus also accelerating forest destruction on other islands, especially in Kalimantan, the major center of coal mining activity in Indonesia. As long as producing electric vehicles involves destroying rainforests in Sulawesi and Kalimantan and increasing carbon emissions, they cannot be deemed a solution to climate change.

4. The final consideration is the use of coal energy to power to charge electric vehicles: As long as fossil fuels are the most widespread source of electrical power in the world, environmental and climate damage will continue unabated. As more and more people use electric cars, nickel and coal mines will continue to eat their way into the rainforest, and ever more coal-fired power plants will be built.

Therefore, investment and financing in the nickel industry in Indonesia, especially on Sulawesi Island from upstream to downstream, further strengthens the rate of rainforest destruction which contributes to the increasingly dire pace of climate change. In addition, the lives of indigenous and local people who are currently poor will be poorer, because their sources of livelihood are also damaged and even disappear.

To save the remaining rainforests in Indonesia and the lives of the people, especially women and the future of children on the island of Sulawesi, we, the Sulawesi Alliance, representing all communities, farmers and fishing families affected by environmental damage due to the mining and nickel industries, call on the leaders of the G20 countries, especially the President of China, Xi Jinping and the MDBs, to make a firm commitment to end investment in nickel mines, nickel smelter construction, the battery industry, and associated coal-fired power plants in Indonesia, especially on Sulawesi Island. We also demand that political and business leaders in G20 countries stop promoting electric vehicles as an environmentally friendly alternative and solution to the climate crisis.

Based on the facts and real conditions above, we, the Sulawesi Alliance, representing all the people of Sulawesi Island, demand:

1. To the leaders of Group 20 countries, especially the President of the United States, China, PM Canada, Japan, the United Kingdom, the Leader of the European Union and the Chancellor of Germany to stop supporting investments that destroy rainforests around the world, especially on the island of Sulawesi, Indonesia. We concretely demand to stop investment support in the mining sector, especially nickel mining.
2. To international financial institutions to stop financial support to the mining sector, especially nickel mining in Indonesia. International financial institutions must shift their financing to sustainable businesses, especially those that protect rainforests around the world.

3. To the Indonesian government, especially President Jokowi, to immediately stop issuing mining business licenses, especially nickel mining business licenses. In addition, we demand that President Jokowi revoke mining licenses that have destroyed rainforests on Sulawesi Island and other islands in Indonesia.

Finally, we also call on all people around the world to support the Alliance and the people of Sulawesi to stop the destruction of rainforests in Indonesia, especially in Sulawesi. Protecting the rainforest is the most powerful way of preserving life on our planet.

Makassar, November 15, 2022

Sulawesi Alliance

Sunardi, Executive Director of WALHI Central Sulawesi

Theo Runtuwene, Executive Director of WALHI North Sulawesi

Muhammad Al Amin, Executive Director of WALHI South Sulawesi

Saharuddin, Executive Director of WALHI Southeast Sulawesi

Asnawi, Executive Director of WALHI West Sulawesi

Documentation for published:



Information: Nickel Smelter in North Morowali, Center Sulawesi



Information: Vale Indonesia company nickel mining activities



Information: Vale Indonesia Smelter in Sorowako, South Sulawesi



Information: Vale Indonesia company nickel mining activities