

Action at IDX: Community Reveals Harita Group's Trail of Environmental and Humanitarian Crimes

Today (12/4), people from Obi Island, North Maluku along with JATAM, Enter Nusantara and Trend Asia held a direct communication action at the Indonesia Stock Exchange (IDX) office, Jakarta on the first day of PT Trimegah Bangun Persada Tbk (NCKL) conducting an Initial Public Offering (IPO) to the public. The community submitted a report document containing traces of environmental and humanitarian crimes from NCKL company's operations in Kawasi, Obi Island, South Halmahera, North Maluku Province.

The Harita Group subsidiary is projected to gain an increase in net worth from USD 1.1 billion to USD 4.6 billion. This action was carried out to convey to brokers, as public intermediaries in buying and selling shares related to the dangers of investing in NCKL.

PT Trimegah Bangun Persada Tbk (NCKL) is a subsidiary of Harita Group that operates the first High Pressure Acid Leaching (HPAL) smelter on Obi Island, North Maluku. The company produces 60,000 tons of nickel per year. HPAL technology will convert local low-grade ore into mixed hydroxide deposits, a form of nickel that can further be processed to make batteries.

In its operations, PT Trimegah Bangun Persada, along with PT Gane Sentosa Permai, PT Halmahera Persada Lygend, PT Megah Surya Pertiwi, and PT Halmahera Jaya Feronickel on Obi Island, all companies under the auspices of Harita Group, have devastated the land / plantation land of residents, polluted water sources, river water, and sea water, polluted the air due to dust and pollution that has an impact on the health of residents, to trigger social conflicts due to intimidation and repeated violence against residents who defend their living spaces. PT Trimegah Bangun Persada and a number of other companies owned by Harita Group also unilaterally annexed residents' land without fair negotiation and compensation.

"Lili Mangundap and four other families who owned land in Kawasi village were annexed by the company. The company and the South Halmahera Regency government also plan to relocate Kawasi residents to Eco Village Housing, located 5 kilometers to the south of Kawasi. For residents, this relocation not only removes them from their homes, but also robs them of their cultural and historical values. Not only that, residents are also excluded from their sources of life such as land, fields, and the sea," said Muhammad Jamil, Head of the Legal Division of JATAM Nasional.

Harita Group's mining operations resulted in polluted water sources of Kawasi residents and sedimentation of nickel ore from the company's operations. Before the mine came in and operated, residents could get water for free, but now they have to spend money to get clean water. This condition makes it more difficult for residents who are economically deprived because they are forced to use polluted water sources. PT Trimegah Bangun Persada and other Harita Group-owned companies in the region dump waste into rivers and flow into the sea. This causes the coast and sea to turn cloudy-brownish. The marine ecosystem on Obi Island is damaged by sewage pipes leading to the sea. The fish that have been consumed by residents are also contaminated with heavy metals.

In addition to pollution in the sea, the company's activities are so close to settlements, that residents are forced to deal with dust, noise, and a dirty environment. During the dry season, kitchen utensils, dining

tables, chairs, floors, and even in the room are full of dust from company activities and coal dust. Based on information from residents and officials at Kawasi health clinic, acute respiratory infections (ARI) are the most important health problem in Kawasi. Most patients are toddlers. There were 124 infants aged 0-1 years who visited the health clinic from January to December 2021. Toddlers aged 1-5 years were recorded as many as 283, followed by the age group of 20-44 years as many as 179 people.

In addition to bringing health problems, Harita Group's operations also ignore the OHS Compliance aspect of its workers. Throughout 2022, the mining and mineral processing sector dominated accidents in North Maluku, especially belonging to Harita Group. Based on media reports, in the 2019-2023 time frames, 8 cases were recorded with 2 victims died and 5 people were injured. This fact refutes Harita Group's claim that there were no casualties due to work accidents. In nickel mining operations, Harita Group, through PT Halmahera Persada Lygend (HPL), also uses coal-fired power plants for operations. The total capacity of the coal-fired power plant is 210 MW. PT HPL is a joint venture between Harita Group and Ningbo Lygend from China which has around 2,030 MW of coal-fired power plants in the process of construction and pre-permitting. The company also targets a total of 4,200 MW of coal-fired power plants on Obi Island. The construction of the power plant violates the commitment of Chinese President, Xi Jinping, through his speech in 2021, which stated that he would not build new power plants abroad.

"With all the environmental and social damage made by Harita Group, the company has underwriters, namely Credit Suisse Group, BNP Paribas, Citigroup, Mandiri Sekuritas, DBS, OCBS Securities, and UOB Kay Hian. six underwriters from Harita Group companies -except Mandiri Sekuritas, are members of the Net-Zero Banking Alliance. Their collaboration with Harita Group certainly undermines GFANZ's commitment itself in supporting the achievement of zero emission targets and a just clean energy transition," said Novita Indri, a campaigner from Trend Asia.

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Inset:

- JATAM Report "Dirty Roads Electric Vehicles Trail" - <https://www.jatam.org/en/dirty-roads-electric-vehicles-trail/>
- Documentation : https://drive.google.com/drive/u/1/folders/15B7LaWdWjTatKd4GYn_XtVOZFB1_LVSd