November 29, 2023

Rusli Lohisto PT Mega Haltim Mineral Jalan Batu Ceper No. 61 Jakarta Indonesia

RE: Summary of findings for upcoming report on the environmental and human rights impacts of the nickel industry in Indonesia

Dear Mr. Rusli Lohisto,

I am writing on behalf of Climate Rights International, a U.S.-based NGO that conducts research and advocacy on the human rights dimensions of the climate crisis. For the past several months, we have been carrying out research for a report that we plan to publish on the human and environmental impacts associated with nickel mining and smelting at and near the Indonesia Weda Bay Industrial Park (IWIP).

Based on more than forty interviews with community members, our research finds that nickel mining in Central and East Halmahera, North Maluku and nickel smelting at IWIP are threatening the rights of local people, harming the local environment, and contributing to the climate crisis. Community members told Climate Rights International that their lands have been taken by nickel companies, they were not able to fairly negotiate land sales, and Indigenous Peoples have been denied their legal right to Free, Prior, and Informed Consent (FPIC). In addition, pollution from industrial activities is threatening critical freshwater resources and the ecosystems that people depend on for their traditional livelihoods. Despite claims that nickel from this project is needed to power the electric vehicle transition, massive deforestation and coal use at IWIP are directly contributing to the climate crisis, making this project a climate bomb.

We want to ensure that our report accurately reflects the views, policies, and practices of relevant authorities and companies, and we hope that you or your representatives will respond to the following questions, outlined below. Any responses will be reflected in our reporting as appropriate, and we may publish your responses at our discretion and when appropriate, either in full or in part.

We understand that PT Mega Haltim Mineral (MHM) has a 13,510-hectare nickel mining concession located in both Central and East Halmahera.

Questions:

1. What polices or practices are in place to prevent environmental pollution from PT Mega Haltim Mineral nickel mining operations?

- 2. Please provide information about waste management and tailings disposal at your nickel mines in Central and East Halmahera. Where are mining tailings disposed of? What steps are taken to ensure that tailings and other mining waste do not harm local waterways?
- 3. Has PT Mega Haltim Mineral assessed the potential impacts of its nickel mining on freshwater resources in Central and East Halmahera? If so, what were the results of those studies?
- 4. Please describe the process of acquiring land within the mining concession. Did PT Mega Haltim Mineral hold public meetings with local communities about the proposed project? If so, please provide information about the dates, locations, and attendance of those meetings. In addition, please detail the information provided to communities at those meetings.
- 5. Did PT Mega Haltim Mineral obtain the full Free, Prior, and Informed Consent (FPIC) from indigenous communities from which it acquired land? If yes, please provide documentation, including (1) how PT Mega Haltim Mineral consulted with the communities; (2) the information provided to the communities about the purpose of the acquisition; and (3) the consent, if any, that was given.
- 6. How was the price for land determined? Did PT Mega Haltim Mineral offer a flat rate, or did it negotiate prices with those occupying the land? Please provide a list of properties purchased and what PT Mega Haltim Mineral paid for each property.
- 7. How does PT Mega Haltim Mineral respond when residents refuse to sell their lands?

I also welcome the opportunity to speak with you or your representatives. Please let me know if you have any questions or if you would like to arrange a meeting or video conference.

Sincerely,

Brad Adams

Executive Director, Climate Rights International