

November 30, 2023

Minister Sri Mulyani Indrawati  
Ministry of Finance  
Dr. Wahidin Raya Street No.1  
Jakarta 10710  
Indonesia

*SENT VIA EMAIL AND REGULAR MAIL*

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

Dear Minister Sri Mulyani Indrawati,

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 illegally 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 for nickel mining 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 in the Ministry of Finance 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.

**Questions:**

1. How does the Ministry of Finance calculate its tax and base land price, as dictated through Regulation No. 150? How does the tax and base land price vary by region?

2. It is our understanding that the tax and base land price for North Maluku is not publicly available online. How can residents in North Maluku and other less developed regions of Indonesia access this information?
3. Does the Ministry investigate land sales to ensure that land purchasers are not paying less than the base land price? What steps does the Ministry take if it finds that lands are being sold below the base land price?

Please provide your responses in writing. Your responses can only be considered for inclusion in our report if we receive them by December 21, 2023. Please reply in English or Bahasa Indonesia at [REDACTED], copying [REDACTED]. In addition, please include any other materials, statistics, and/or information you think may be relevant.

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

[REDACTED]