# Salam

This is the final edition of our newsletter, and we want to thank everyone involved for their great efforts and much appreciated support. Even though the project had a short life, only nine months, there were many notable achievements, not least of which was the highly collaborative relationship between the project and local participants from government, the gold fields, and Kareng Pangi town. Nothing would have been achieved without your support and contribution. In addition, we had great backup from the UNIDO team in Indonesia and from abroad.

Our heartfelt thanks to you all!



Two members of a local women's health group relax during the workshop

Soon we will be releasing the project documentation - a multi-media CD-ROM which will contain major documents from the project, as well as some key ones preceding it. In addition, there will be plenty of photographs and a collection of videos, all of which will give a more colourful sense of what the project was all about.

At YTS we plan to monitor the impact of the fumehood modifications, and have distributed forms to each gold shop to keep track of the amount of mercury being recovered and recycled every month. We also will be launching a dedicate website that will contain all project documentation and any information updates that may arise. In another six months we assess more thoroughly the status of mercury recovery and recycling.

So, although the project is closed, its legacy still continues.

Bardolf Paul Project Supervisor

# Final Workshop in Kasongan successfully Caps Off Project

The final project workshop brought together 50 key participants to review the final outcomes and to secure commitments for continuing the successful components.

Although the workshop was hosted by the Katingan District government, representatives came from the Galangan mining community, Kereng Pangi town, YTS and WWF in Palangka Raya, and UNIDO in Jakarta and in Canada and the USA.

Duwel Rawing, the District Head, opened the event, and in the morning session various project actors presented what actually happened during project implementation, and showed what positive changes had resulted from everyone's efforts.

After a great lunch, five small group sessions tackled the question of how to carry forward the momentum generated by the project. Each group represented one government department, so that at the end of the day there were five sets of commitments for continuing on different aspects of the campaign. Mining, Environment, Health, Education, and Trade & Industry each committed to take over the campaign component that fell within their area of responsibility.

Therefore, at the end of the day everyone felt that the important aspects of the program would still continue to move forward.

An excellent summary of the entire campaign is available from either YTS or UNIDO.









### Strengthening Rights, Governance and Community Participation to Improve **Environmental Health**

Small-scale mining - or "People's Mining" - can create many benefits for local communities. As gold prices have risen to extremely high levels in 2007 (the highest since the 1980s), the economic potential of mining is enormous. However, small-scale mining can also pose serious threats to the environment and people's health. To maximize benefits and minimize threats, there is an important role for good policies, laws and education programs. The key to success is active community involvement.

In Indonesia, the Katingan District Government has been working with the Global Mercury Project team to develop new laws and policies to assist miners and the community as a whole. In 2005, the GMP team started local stakeholder discussions on policy concerns. One of the most important issues was the need for a clear and simple policy to allow illegal miners to transform into legal miners. In 2006, the Government introduced a new law - "Regulation on People's Mining" (Law No. 3 of 2006) - creating a licensing system. Will it succeed? One necessity for success is to educate miners and provide incentives showing miners why it is beneficial to register. The government can play a key role by discussing this with miners, gaining more inputs, and monitoring compliance. Registering legally will help miners obtain secure land rights and improve their role in the economy. The registration process also aims to ensure that miners manage the environment responsibly - a crucial aspect.

Some of the most important parts of the regulation are as follows:

- The area that a people's mining permit given to an individual may cover a maximum of 5 (five) hectares.
- A cooperative may be provided with a people's mining permit covering an area of a maximum of 25 (twenty five) hectares.
- An individual that has already had a people's mining permit is no longer allowed to have another permit unless his or her previous permit has expired [or is no longer effective].
- A people's mining area shall be situated on land and shall be at least 200 meters away from the bank of a river.

Also, in February 2007, a government policy was adopted to specifically address mercury. The Bupati hosted a workshop with the Global Mercury Project team and over 40 officers in the Katingan District Government. The discussions reinforced the shared commitment to reduce mercury use in mining and eliminate certain hazardous ways of using mercury. The Government established plans to formally introduce the Regulation on Mercury Management in 2007 (being prepared collaboratively). This regulation addresses 2 main challenges: 1) safer mercury use in gold shops and 2) safer mercury use in mining. The regulation covers health, safety and environmental standards that specify the acceptable technology. For example, it establishes the legal standard that all gold shops must use proper fume-hoods. The regulations include mechanisms for community-based monitoring and self-enforcement; owners of mines and gold shops, miners, and other mercury-users share responsibility for safe management. Significantly, the government has agreed to commit finances in its 2008 Budget towards educating and training the community further on mercury and technology issues.

In over 50 countries, small-scale gold mining is a source of livelihood to over 100 million people who live in poverty. For governments, the main challenge is to play a strong role in helping workers to build a more sustainable future. The recent decentralization of powers from the national level to district governments in Indonesia means that the local

communities now have considerable responsibility over mining issues. These new developments require ongoing monitoring. Ongoing local discussion is vital to track the progress and challenges that are experienced and ensure that these policy goals succeed.



Samuel Spiegel - Policy Advisor



Workshop participants gather together before saying farewell



## **Dulling One Edge of \*ASM's Double Edged Sword**

(\*Artisanal and Small-scale Mining)

Small scale gold mining generates a very significant economy for needy people. For example, land and river based gold production around the town of Kareng Pangi may have generated 50 million USD in 2006. That is enough to support 20,000 households of 5 people at 2400 USD/year – far above the average Indonesian wage. And it can support many more when it is spent and re-spent, cycling through the community.

As desirable as it may seem from an ecological perspective, replacing this economy with something more ecologically friendly is an unrealistic vision in the near future. 50 million USD/year cannot easily be generated by "weaving baskets" - especially as China exerts an ever downward pressure on prices for consumable goods. A more pragmatic approach may be to accept the gold economy and focus efforts on making it work best for the community.

How bad is small scale gold mining for the environment? Clearly, it is harmful, but it may not be worse than logging or some types of agriculture. This is simply because it uses less land area. The region's gold economy could therefore be a sheep in wolf's clothing. Or rather, that could be the case if it were not for the associated mercury emissions – which are largely preventable.

Presently, small scale gold mining represents the single largest demand for mercury in the world, releasing perhaps 1000 tonnes of mercury per year into the environment. Although this occurs



in at least 50 countries, Indonesia is one of the largest single contributors accounting for perhaps 10% of global emissions. Within Indonesia, just Central Kalimantan likely accounts for more than 10% of Indonesian emissions.

There are strong reasons to take mercury pollution very seriously. It is not something that can be considered a luxury for rich societies - something that can be dealt with in the future. In most cases, mercury pollution has the horrible quality of poisoning people slowly enough to be hardly noticed. But over time, it renders exposed adults and particularly children, mentally handicapped and sterile. Further, once released, it is impossible to clean up and can continue to contaminate fish and people who eat them for hundreds of years. So it can't be dealt with in the future because for those

people and environments exposed, the future will have already been destroyed.

And there is an important economic reason as well. As Central Kalimantan becomes known more and more as a mercury contaminated site, the value of its products and attractions will depreciate.

Ecotourism and aquaculture are potential future victims, but an immediate one is the zircon economy. Already, buyers either pay less or reject zircon shipments contaminated with mercury. Even just the perceived risk of mercury contamination may depreciate prices paid for Kalimantan's zircon—contaminated or not.

The broad geographic distribution, the vast diversity in social, political, and physical conditions, and the peripheral status in society of small scale gold mines, makes finding solutions to mercury pollution challenging. But in terms of human and ecosystem health, it is an important goal. The good news is that it is possible and there are even approaches that can generate money. For example, the fume hoods that YTS has recently helped install in local goldshops are a great first step.

#### Kevin Telmer -Expert in Prevention and Reclamation Strategies



#### Policy Guidelines discussed in Workshop

Pak Darmae, UNIDO's local policy adviser, led a small 10-person workshop to review and refine a set of policy guidelines for safer mercury management, on March 30th in Palangka Raya University. District government staff,

together with YTS and mercury users, made changes to the draft guidelines, before they were formally submitted to the District Head.

Pak Darmae, Policy Expert







# Creating a better quality of life for the community and the environment

Small scale mining has played an important role in the local economy of the people in Katingan Regency, Central Kalimantan. In Galangan and Kereng Pangi, the mining activity supports the livelihoods of around 20 thousand residents. However, the use of mercury in gold processing has degraded the quality of the environment and public health, mainly when it is not used properly. The community may become exposed by consuming fish taken from the amalgamation pond or from the river where mercury tailings are deposited. Besides that, people may also be exposed by the vapors from amalgam burning activities. The community should be made aware of and mitigate their exposure to these dangers in order maintain the family's health.

The United Nations Industrial Development Program (UNIDO), in cooperation with the Katingan District Government and Yayasan Tambuhak Sinta (YTS) launched an awareness campaign on Hazards of Mercury and the Use of Mercury-Cleaner Gold Processing Technologies on the 9th of September 2006. The event was attended by over 500 participants, as well as the Head of Katingan District, Duwel Rawing. During the event, Duwel

Rawing expressed his full support for the campaign and invited people to work together to protect the next generation from mercury exposure.

UNIDO is quite proud that the Government of Katingan and YTS were able to involve miners and the community in the awareness campaign, and get them to find solutions together. By the end of the campaign in February 2007, the team had conducted a series of activities that included training, interventions on improved equipment and gold processing technologies addressed to miners, mercury suppliers, gold processors and the community.

The Baseline and Comparison Study, conducted by YTS before and after the campaign, shows that the nine months of hard work has paid off. The level of awareness of mercury exposure in the community rose from 41% to 50%; from 83% to 100% among the gold shops owners; from 21% to 93% among miners; and from 15% to 91% among women at the mining sites. Another significant behavior change is that 18 of 35 gold shops in Kereng Pangi have adopted the intermediate technology for their fumehoods. The improved fumehood uses a water filter and a blower to capture mercury fumes. This not only reduces mercury emissions, but also enables operators to

capture and recycle the mercury for further use.

By the end of the Global Mercury Project in Katingan, the question arose about how the government of Katingan would continue to provide assistance for miners and the community, in order that the community could obtain economic advantages from gold mining without harming their own health and the environment. On February 21st, as the social campaign came to a close, the Katingan Regency and YTS held a wrap-up workshop, which resulted in commitments from five departments - Mining and Energy, Environment, Education, Trade and Industry, and Health - to continue activities that would promote reduced mercury exposure and the use of

mercury-cleaner gold processing technologies. In the workshop, the government also committed to formulate new regulations on recycling mercury, in order to support efforts to reduce mercury emissions. Some of these commitments were partly realized through promotional activities by the Health Clinic in Kereng Pangi, and with a workshop to discuss the formulation of a Regulation by the District Head on March 30th.

We send best wishes of support to the government and the community to achieve their commitments and to create a better quality of life for themselves and the environment!

Budi Susilorini -Assistant to Country Focal Point



"Down in the hole" – gold miners at the bottom of a pit in Galangan

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