

IM4DC

Action Research Report

SUMMARY

Researcher:

Bernadetta Devi

School/Centre:

Centre for Social Responsibility in Mining

University/Institutions:

Sustainable Minerals Institute,
The University of Queensland

Key themes:

Community and Environmental Sustainability

Key countries:

Indonesia

Completion:

June 2015

Research aims:

This action research aimed to:

- develop a methodology to investigate suitable partnership models in the Indonesian mining sector via three case studies in Kalimantan, Sulawesi and Papua
- organise and host a workshop for the Indonesian Ministry of Energy and Mineral Resources research team in Brisbane
- participate in a site visit to at least one of the case study regions and provide advice to the Indonesian MEMR during the visit

For further information on this action research:

Contact person: Bernadetta Devi

b.devi@uq.edu.au

Framing Public-Private Partnership Models for Community Development and Empowerment in the Mining Industry in Indonesia

Public-Private Partnerships (PPPs) are specifically partnerships between the public sector (governments) and the private sector (private companies). Despite risks potentially associated with promoting PPPs, these partnerships are a way for governments to achieve goals that they might struggle to accomplish on their own. The International Council on Mining and Metals suggests that mining companies should create and maintain strong partnerships with key in-country stakeholders (with both governments and civil society) to promote mining for development – to the extent whereby mining companies are viewed as key to poverty alleviation in mining regions.

As mandated by Indonesian mining Law, the Indonesian Ministry of Energy and Mineral Resources (MEMR) has drafted the implementing regulation on community development and empowerment (CDE) which was intended to guide companies and other parties (e.g. sub-national governments) to conduct their social investments on CDE in 2011. However, to date this draft regulation has not been enacted due to the lack of evidence of necessity and findings – especially due to a lack of input from companies, communities, and sub-national governments.

The MEMR research team requested CSRM to provide the supporting research activities 'Framing Public – Private Partnership Models for Community Development in the Mining Industry in Indonesia', with financial support provided by Australian Aid through the International Mining for Development Centre (IM4DC).

This report summarises the results of the activities supporting the MEMR team, as listed under the Research Aims.