



Letter of Complaint

Submitted to the **National Contact Point of Switzerland**

International Investment and Multinational Enterprises
Unit State Secretariat for Economic Affairs (SECO)

[Land conflict in Blitar, Indonesia]

Submitted by:

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Summary

This specific instance sets out breaches of the OECD Guidelines for Multinational Enterprises (OECD Guidelines) by Holcim Indonesia.

It is submitted by: Institute for Policy Research and Advocacy (ELSAM), Solidarity of Blitar Villagers (SITAS-Desa), Aryo Blitar Farmers Association, Consortium of Agrarian Reform (KPA), Transformation for Justice (TuK Indonesia), Fransiscans International (FI Swiss)

The specific instance is directed to the *Swiss National Contact Point*.

The Institute for Policy Research and Advocacy (ELSAM), along with other civil society organizations, are concerned about the implications of the activities and decisions of PT. Holcim Indonesia Tbk. In Blitar, East Java, Indonesia. Holcim Indonesia is causing villagers of Ringinrejo, Blitar to be potentially evicted from their lands by giving their lands to the Ministry of Forestry as a compensation land for the forest areas that Holcim use for mining and cement factory in Tuban, East Java.

The OECD Guidelines (Chapter II article 2 and 14, Chapter IV article 1, 2, 3, 5, 6) states that companies should respect the human rights, and within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur. In this case, Holcim failed to avoid causing to adverse human rights impacts as they did not conduct human rights due diligence and engage with relevant stakeholders in order to provide meaningful opportunities for their views to be taken into account in relation to planning and decision making for projects or other activities that may significantly impact local communities.

1. 826 households, or about 3000 persons, will be evicted from the lands where they have controlled and cultivated on for more than 18 years

In 1991, PT. Semen Dwima Agung obtained a license from the Ministry of Forestry to exploit 1,242.1 hectare of forest area, namely Tuban Forest Management Unit (KPH), for a cement factory project, through a scheme of forest leasing.

As the holder of the lease permit, PT. Semen Dwima Agung must give a compensation land in return, to be transformed as a forest area to the Director General of Forestry Planology, Ministry of Forestry. The compensation land is located at the village of Ringinrejo, district of Wates, Regency of Blitar, East Java. The land, with an area of 724.23 hectares, is the former area of Gondangtapen Baru Mas Plantation, whose activities had ceased, and has been under the control and cultivation of the people of the village of Ringinrejo since 1996.

After PT. Semen Dwima Agung merged with PT. Holcim Indonesia in 2012, the compensation land, located at the village of Ringinrejo, is then designated as a forest area through the Forestry Ministerial Decree No. SK.367/Menhut-II/2013 on the Designation of Productive Forest Area from Compensation Land in Relation to the Forest Lease by PT. Semen Dwima Agung, located in the Village of Ringinrejo, District of Wates, Regency of Blitar, East Java, with an Area of ± 724.23 Hectares, declared in Jakarta on 21 May 2013. The designation of the compensation land as a forest area has unsettled and affected the people of the village of Ringinrejo, who have controlled and cultivated the land since 1996. The livelihood of the people of the Ringinrejo, depends on planting maize, cassava and watermelon on the land.

Summary

continued

According to Indonesian law, as declared in article 16 paragraph 3, Ministry of Forestry Regulation P.14/Menhut-II/2013 on Lease Guidelines:

The holder of the lease is obliged to provide a compensation land that has no problems pertaining to objective conditions (de facto) and problems pertaining to legal status (de jure).

It is apparent that the compensation land provided by PT. Holcim Indonesia Tbk. to the Ministry of Forestry has *de facto* problems, as 826 households continue to control and cultivate on the compensation land.

The designation of the forest area status by the Ministry of Forestry pertaining to the land on which the livelihood of the people of Ringinrejo depends on, results in an uncertainty and lack of legal guarantee to the people. The designation also results in the potential loss of access of the people of Ringinrejo to their livelihoods, on which they have controlled and cultivated on since 1996.

2. The negotiations process taken by PT. Holcim Indonesia Tbk. was not done with the population of the village of Ringinrejo, District of Wates, Regency of Blitar, East Java

In order to fulfill the requirement to obtain an agreement as a fact that the compensation land is clear and clean, PT. Holcim negotiated to offer compensation to the people who cultivates the compensation land. However, the negotiation process by Holcim was not conducted with the people of Ringinrejo who are directly affected, but instead with the new comers that do not live in the compensation land. The new comers are migrant farmers from outside Ringinrejo, located near Jolosutro beach (to the south of Ringinrejo). The land is cultivated by farmers coming from Sumberoto, Regency of Malang; villages of Wates and Sumber Harum, district of Wates, Regency of Blitar. It can thus be concluded that PT. Holcim Indonesia Tbk. has negotiated with a party who are not affected by its operations.

1991	PT. Semen Dwima Agung received permission to mine the forest area in Tuban
1996	PT. Semen Dwima Agung bought land in Ringinrejo, Blitar from PT. Gondangtapen Barumas (Plantation Company)
1996	The people cultivated the land in PT. Gondangtapen Barumas because there were no more plantation activities.
2012	PT. Semen Dwima Agung merged with PT. Holcim Indonesia
2013	Forestry Ministerial Decree SK.367/Menhut-II/2013 on the Designation of Productive Forest Area from Compensation Land in Relation to the Forest Lease by PT. Semen Dwima Agung located in the village of Ringinrejo, District of Wates, Regency of Blitar, East Java, with an area of ± 724.23 Ha, was published
2013	Up until now, the people could be evicted and criminalized because they are considered occupying forest area. Some are already reported to the police.

Summary

continued

Requests

We, the Indonesian Civil Society Organisations, who have assisted the people of Ringinrejo, request the NCP to contribute in the process of resolution of the above mentioned issues, namely:

1. To consider the issue between 826 households of the village of Ringinrejo with PT. PT. Holcim Indonesia Tbk.;
2. To encourage PT. Holcim Indonesia Tbk. to ask for the revocation of SK.367/Menhut-II/2013 to the Ministry of Forestry, or to find another land as compensation;
3. To encourage PT. Holcim Indonesia Tbk. to be responsible in returning the land to the farmers who have previously cultivated on the land.

We ask NCP to give a recommendation to hold a discussion forum to help the people of Ringinrejo (properly represented) to meet and find solutions with the company, in an effective and efficient manner. If a dialogue is not possible, we request that the NCP employs another problemsolving tools to ensure the implementation of the OECD Guidelines.

Chapter 1: Background

The main market of PT. Holcim Indonesia Tbk. is the island of Java. In order to satisfy the demand of the main market, PT. Holcim Indonesia Tbk. has two main production units and one grinding unit, with a total capacity of 9.1 million tons annually. At present, the third production unit is being constructed in Tuban, East Java, with an annual capacity of 3.4 million tons, since 2013.

The problem we are presenting is closely connected to the third production unit of PT. Holcim Indonesia Tbk. in Tuban, East Java. The production unit utilizes a forest area with a lease scheme, and as the principal holder of the lease, based on Ministry of Forestry Regulations No. P.18/Permenhut-II/2011 and P.14/Menhut-II/2013 on Forest Area Lease, PT. Holcim Indonesia Tbk. has the obligation to provide compensation land for the use of the forest area, in another location, to be set as a forest area.

In article 1 number 8 of the Forestry Ministerial Decree No. 18/Menhut-II/2011 about the Guidance of Forest Leasing, states that the forest leasing permit is a permission given to use forest areas for the benefit of development outside forestry activities without changing the function and the allotment of forest areas. The permit obtained, for instance in this case, PT. Holcim Indonesia used the forest area in Tuban for mining and cement factory. Because the mining licensed holder use the forest area as mining area, the function of the forest is lost, therefore the licensed holder must replace the forest area to another location. The relocation area that must be provided by the licensed holder is called the compensation land. Therefore, based on the Indonesian regulation, PT. Holcim Indonesia must replace that forest area with another area in another location to be transformed into forest area.

Moreover, based on the Indonesian Law, the compensation land must be clear and clean by fact as well as by law. However, the land compensation that PT. Holcim Indonesia gave to the Ministry of Forestry is in Ringinrejo, Blitar, East Java Province, is in fact not yet clear. According to the Forestry Ministerial Decree No. 18/Menhut-II/2011, the condition of the potential land compensation must not have problems in the field (*de facto*) and the law (*de jure*), has clear status, not in disputes, not in control of a party that is not entitled nor burdened with certain land rights, also not cultivated by other parties.

On 30 June 2012, PT. Semen Dwima Agung merged with Holcim. As the holder of the lease, PT. Holcim Indonesia must give a compensation land to the Director General of Forestry Planology, Ministry of Forestry. This is made official in the Record of Transfer of Compensation Land to be utilized as Forest Area Number 007/SDA/TBN/BLS/II-2013 and Number: BA.1/VII-PKH/2013, dated 4 February 2013. In the record of transfer, it is declared that the compensation land is located in the village of Ringinrejo, district of Wates, Regency of Blitar, East Java, with an area of 724.23 hectares.

Following the transfer, the Ministry of Forestry enacted Decision No. SK.367/Menhut-II/2013 on the Designation of Productive Forest Area from Compensation Land in Relation to the Forest Lease by PT. Semen Dwima Agung, Located in the Village of Ringinrejo, District of Wates, Regency of Blitar, East Java, with an Area of ± 724.23 Hectares, containing the designation of a productive forest area located on the compensation land related to the lease of a forest area by

PT. Semen Dwima Agung, located in the village of Ringinrejo, district of Wates, Regency of Blitar, East Java, with an area of ± 724.23 hectares.

The transfer of compensation land by PT. Holcim Indonesia Tbk. to the Ministry of Forestry will result in the eviction and loss of livelihood of ± 826 households in the village of Ringinrejo, district of Wates, Regency of Blitar, East Java.

Chapter 2: Company information

The corporation we are reporting is PT. Holcim Indonesia Tbk. as the company to which PT. Semen Dwima Agung has merged in 2012, resulting in PT. Holcim Indonesia Tbk. becoming the subject of law.

PT. Holcim Indonesia Tbk. is a legal corporation founded based on Indonesian regulations, with the following executive officers:

1. Eamon John Ginley, citizen of New Zealand, as President Director;
2. Jannus Onggung Hutapea, citizen of Indonesia, as Director.

The corporation is located in Jamsostek Tower, North Tower, 15th floor, Jalan Jenderal Gatot Subroto kav. No. 38, South Jakarta, 12710.

As described in its official Web site, PT. Holcim Indonesia Tbk. is part of the Holcim Ltd. Group, a leading global holding company producing cement, aggregates, ready-made concrete and asphalt, and supporting services. Holcim was founded in 1912, with the construction of a cement factory in Holderbank, Switzerland. In 1920, Holcim selectively invested in Europe and elsewhere. The company has been listed in the Swiss Exchange (SWX) since 1958. At present, the Holcim Group is operating in more than 70 countries in all continents, and employs about 90,000 employees.

<http://www.holcim.co.id/id/tentang-holcim/profil-perusahaan/grup-holcim.html>

Its management structure as at 1 June 2014 is shown below. The Board of Directors consists of 9 members, all of whom are independent. All directors are shareholders of the company. The functions of Chairman and CEO are separate - a key element in ensuring a balanced relationship between management and control.

Chairman of the Board of Directors

Prof. Dr. Wolfgang Reitzle

Dr. Beat Hess

Deputy Chairman of the Board of Directors

Dr. Beat Hess

Dr. Alexander Gut

Adrian Loader

Jürg Oleas

Dr. H.c. Thomas Schmidheiny

Hanne Birgitte Breinbjerg Sørensen

Dr. Dieter Spälti

Anne Wade

Chapter 3: Alleged Breaches

Chapter	Paragraph(s)
I Concepts and Principles	<p>(2) Obeying domestic laws is the first obligation of enterprises. The Guidelines are not a substitute for nor should they be considered to override domestic law and regulation. While the Guidelines extend beyond the law in many cases, they should not and are not intended to place an enterprise in situations where it faces conflicting requirements. However, in countries where domestic laws and regulations conflict with the principles and standards of the Guidelines, enterprises should seek ways to honour such principles and standards to the fullest extent which does not place them in violation of domestic law.</p> <p>S</p>
II General Policies	<p>(2) Respect the internationally recognised human rights of those affected by their activities.</p> <p>(14) Engage with relevant stakeholders in order to provide meaningful opportunities for their views to be taken into account in relation to planning and decision making for projects or other activities that may significantly impact local communities.</p>
IV Human Rights	<p>(1) Respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.</p> <p>(2) Within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur.</p> <p>(3) Seek ways to prevent or mitigate adverse human rights impacts that are directly linked to their business operations, products or services by a business relationship, even if they do not contribute to those impacts.</p> <p>(5) Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts.</p> <p>(6) Provide for or co-operate through legitimate processes in the remediation of adverse human rights impacts where they identify that they have caused or contributed to these impacts.</p>

Chapter 3: Alleged Breaches

Chronology of Events and Harm Experienced by the People of the Village of Ringinrejo Due to the Actions of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk.

About 826 households in the village of Ringinrejo, district of Wates, Regency of Blitar, East Java have cultivated lands since 1996 and their livelihood depend on the yield of maize, cassava and watermelon on a land that is the object of the Forestry Ministerial Decree No. SK.367/Menhut-II/2013. The cultivation of the land, besides due to the need for land, is also based on the fact that the land formerly belonging to Gondangtapen Baru Mas plantation has been abandoned with no remaining plantation activities. However, it was later found that in the same year HGU No. 1/Ringinrejo, with an area of 567.38 hectares, and HGU No. 2/Ringinrejo, with an area of 287.19 hectares, have been purchased by PT. Semen Dwima Agung, to be transferred to Perum Perhutani.

During the period of cultivating the land that is the subject of this complaint, the people of Ringinrejo has never received any reprimands, warnings or disruptions from any party. The people, namely about 826 households, each manage 5,000 square metres, earning between 15 to 25 million rupiahs per year. In addition to cultivating on the land, in several locations, villagers have also constructed permanent residences, becoming a hamlet that is administratively recognized by the government of the Regency of Blitar.

The livelihood of residents on the land they have worked for 17 years is now threatened because the land has been designated by the Ministry of Forestry as a forest area, resulting from the compensation land of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. in relation to limestone mining activities and cement factory in KPH Tuban, East Java.

In addition, the people of the village of Ringinrejo, represented by eight representatives, have filed a lawsuit against the Ministry of Forestry regarding the designation of the forest area on the land they cultivated on, in the Administrative Court. However, on 22 April 2014, the Court decided that the people did not have the right to file the lawsuit, because they did not have a valid legal tenure of the land, so that the lawsuit was inadmissible.

The ignorance about the factual circumstances and the absence of good faith from PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. to provide decent compensation to the residents prompt us to file this complaint using the mechanism available in the OECD Guidelines for Multinational Enterprises.

The violations committed by PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. in the process of land compensation to the Ministry of Forestry can be stated as follows:

1. **The land compensation for the corporation activities has violated Indonesian laws.** The Minister of Forestry Decision designating the compensation land of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk., which is also the land being cultivated by 826 households, as a forest area, has violated the conditions or procedures as stipulated in Ministry of Forestry Regulations No. P.18/Permenhut-II/2011 and No. P.14/Menhut-II/2013 on Guidelines of Forest Lease. According to Article 16 (3) a of P.14/Menhut-II/2013, the lease holder is obliged to provide compensation land with no problems pertaining to objective

conditions (*de facto*) and problems pertaining to legal status (*de jure*) to be designated into a forest area in accordance to the provisions of Article 7 (2) a.

Meanwhile, factual conditions show that there are ± 826 households who continue to work on the land for 17 years. This proves that PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. has not solved the issue that exists on the compensation land.

- The action of the corporation is contrary to the concepts and principles that must be applied by companies in their location of activities as stipulated in Chapter I of OECD Guidelines, point 2, which requires companies to comply with domestic legislations.

See Attachments 5 –10

2. **The company has engaged in deliberations, but not with legitimate community members.** PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. had engaged in deliberations with tenants of the land to be designated as compensation land, but the tenants did not have the legitimacy to represent the interests of the people of Ringinrejo. In reality, in order to meet the *clear and clean* requirement regarding the land, PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. has conducted negotiations or deliberations with farmers who do not come from the village of Ringinrejo, which is the closest location to the land. Instead, they negotiated with tenants of an area located near Jolosutro beach (to the south of Ringinrejo). The land is cultivated by farmers coming from Sumberoto, Regency of Malang; villages of Wates and Sumber Harum, district of Wates, Regency of Blitar. It can thus be concluded that PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. has negotiated with a party who does not experience the impact of the compensation process of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk.

See Attachments 11 – 12

3. **The agreement or approval was manipulated.** In the process of negotiations for land acquisition compensation, a Committee for Land Acquisition was formed in the village of Ringinrejo, with the end result of a collective agreement (Joint Statement) stating that the villagers of Ringinrejo is compensated with a land measuring 40 hectares from PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. in 2008.

However, in obtaining signatures to the Joint Statement, the Committee for Land Acquisition did not provide transparent information and mechanisms to the people of Ringinrejo regarding the contents of the Joint Statement. Thus, in response to the Joint Statement, the villagers of Ringinrejo declared a rejection to the statement through a Statement on Community Rejection of the Joint Statement of Land Relocation Dated 7 July 2012;

- The action taken by the company as described in points 2 and 3 is a violation of the provisions of Chapter II, point 14 of General Policies, that companies should involve relevant stakeholders to provide an adequate opportunity to consider their views related to the planning and decision-making for projects or activities that can have a major impact for community.

See Attachments 8 & 11

4. **The decision of the Minister of Forestry to receive the compensation land from Holcim, which does not have a clear and clean status, has violated the rights of citizens for a decent livelihood.** The decision of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk. to provide compensation to the Ministry of Forestry using land that has de facto issues has violated the rights of citizens for a decent livelihood. The majority of villagers in Ringinrejo are subsistence farmers, cultivating on the lands formerly owned by the Gondangtapen plantation, which will now be designated by the Ministry of Forestry as a forest area.

This is contrary to the provisions of Article 28A of the 1945 Constitution, which guarantees the rights of Indonesian citizens “to live and to maintain their life and livelihood”.

Control of land and cultivation are forms of living and maintaining of life and livelihood, as a means to develop oneself by fulfilling basic needs in order to improve the quality of life and for the welfare of humankind, all of which can be done through a collective struggle. Thus, when people are to be evicted from their lands, the state and the private sector are required to assist or to provide decent compensation.

- The activity of the company of providing a compensation land to the state without considering the factual conditions has an impact on the inhabitants of the village of Ringinrejo. It is a violation of Chapter II, point 2 of the OECD Guidelines, which requires companies to respect internationally recognized human rights to those affected by the activities of the companies.
- With the designation of the lands cultivated land by the people of Ringinrejo as a forest area, deriving from the compensation land for the activity of PT. Semen Dwima Agung/PT. Holcim Indonesia Tbk., this gives evidence that the company has contributed to the violation of the principle of human rights of other persons, and it is also apparent that the company has no good faith to resolve the violation by negotiation and deliberation with the community of the village of Ringinrejo. It is obvious that at present the people of Ringinrejo has not received any redress for the violation of the human rights committed by the company.

The action of the corporation runs counter to all obligations set out in the OECD guidelines, specifically in the chapter on Human Rights.

See Attachments 6 & 13

Chapter 4: Relevant (National and International) Standards

The actions of the company have been in violation of domestic legislation that guarantees human rights, namely the right to live a decent life, the right to develop themselves, the right to recognition, security, protection, legal certainty as guaranteed and regulated in the 1945 Constitution and Law No. 39 of 1999 on Human Rights.

The Legal provisions protecting citizens is stated in article 15 Law Number 5/1960 regarding Agrarian Law, and the rights of citizens to a decent life in their country. The people cultivated the land in 1996 because there were no plantation activities in that land. They needed to farm to live their life. In the Law on Agraria in Indonesia, it is stated in article 15 that "conserving land, including increasing its fertility and preventing damages are obligations of every person, legal entities, or institutions that has law relations with the land, having regards to the parties with weak economies.

Moreover, when measured against internationally recognized standards of human rights, the actions of the company have been in violation of the provisions of the International Covenant on Economic, Social and Cultural Rights (ECOSOC), which Indonesia has in fact ratified in Law No. 11 of 2005 on the Ratification of the International Covenant on Economic, Social and Cultural Rights.

Article 1(2): "All peoples may, for their own ends, freely dispose of their natural wealth and resources without prejudice to any obligations arising out of international economic co-operation, based upon the principle of mutual benefit, and international law. In no case may a people be deprived of its own means of subsistence."

Article 11(1): "The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent."

Based on the United Nations Guiding Principles on Business and Human Rights, the company has the responsibility to respect human rights, as well as, provide access to remedy for the victims. However, in this case, the company did not respect the human rights of the villagers, nor provide remedies for the victims.

In addition, as a member of the United Nations Global Compact, Holcim Ltd. should implement the 10 principles of the Global Compact, especially the first and second principles regarding human rights. The principles state that Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.

Furthermore, ISO (the International Organisation for Standardization) published ISO 26000 in May 2010 as International Guidelines on Social Responsibility, in which two of the six core elements relate to human rights and labour practices. Thus, Holcim Ltd. also violated this international standards.

See Attachment 14

Chapter 5: Previous Attempts

In responding and preventing escalation of impacts felt by the people of Ringinrejo, the people and civil society organisations has taken the following attempts, namely:

1. Paguyuban Petani Gondang Tapen (PPGT, Association of Gondangtapen Farmers) has sent a letter to the Director General of Forest Planology, Ministry of Forestry, to *request the discontinuation of the Process of Transformation of Function into Forest Area in the area of Ringinrejo Village, Blitar Regency, East Java on 17 April 2013*. This was done in accordance to the stipulation of **Minister of Forestry Regulation No. P.64/Menhut-II/2008 dated 14 November 2008** on the **Seventh Amendment of Minister of Forestry Regulation No. P.13/Menhut-II/2005 on the Organisation and Functions of the Department of Forestry**, the function of the Directorate General of Forest Planology of the Ministry of Forestry in Article 103B, point (b): *the implementation of norms, standards, procedures and criteria in the aspect of macro planning in forestry and establishment of forest areas*; and point (c) *formulation of plans and programs in the aspect of macro planning in forestry, establishment of forest areas and preparation of forest area utilisation*, and the farmers requested the Directorate General to immediately **DISCONTINUE** the process of transformation of a land of 854.57 hectares into a forest area, from PT. Semen Dwima Agung, due to the mechanism of compensation that hurts the interests of the tenants of Gondangtapen, Blitar Regency.

However, this attempt has resulted in no impacts towards the designation of the forest area from the Holcim compensation land.

2. On 9 October 2013, eight farmers from Gondangtapen, who were also inhabitants of Ringinrejo village, accompanied by a public attorney from the Public Interest Lawyer Network (PIL-Net), have filed an administrative suit to the Jakarta Administrative Court to revoke Minister of Forestry Decision No. SK.367/Menhut-II/2013 on the Designation of Productive Forest Area from Compensation Land in Relation to the Forest Lease by PT. Semen Dwima Agung, Located in the Village of Ringinrejo, District of Wates, Regency of Blitar, East Java, with an Area of ± 724.23 (Seven Hundred Twenty Four and Twenty Three Hundred) Hectares.

However, the court has decided that the lawsuit was unacceptable, reasoning that the people lack legality in controlling the land. As a result, the minister decision on the land remains in force.

Looking at the above court's decision, the Indonesian court institution did not consider the main problem, which is whether or not the decision of the State's Administrative (TUN) is considered qualified, based on the Minister of Forestry decision. Therefore, hopefully the OECD can accept the people's complaint without limitations regarding formal requirements, as happened in Indonesia.

Chapter 6: Conclusion and Recommendations

Conclusion

Although the villagers are not yet evicted from their lands, PT. Holcim Indonesia's provided a compensation land to the State without considering the factual conditions of the impact on the inhabitants of the village of Ringinrejo. It is a violation of Chapter II, point 2 of the OECD Guidelines, which requires companies to respect internationally recognized human rights to those affected by the activities of the companies.

Recommendations

Through writing this complaint letter to the National Contact Point Switzerland, we, civil society organizations, assisting with the people of Ringinrejo, expect that NCP consider the issue between the community and PT. Holcim Indonesia (Holcim Ltd. Group), and through NCP facilitation, can find a resolution to the problem, namely that:

1. PT. Holcim Indonesia Tbk. finds a compensation land that does not violate the rights of the people of Ringinrejo village; or
2. A final agreement is reached between PT. Holcim Indonesia Tbk. and the people of Ringinrejo village through effective deliberations; as to completely redress the impacts of the harm felt by the people.

We, civil societies organizations, look forward to cooperate with the Swiss NCP in order to find solutions that would benefit all stakeholders.

We request NCP to maintain confidentiality of the complainant and the names of community members as they may be found in this complaint letter and its attachments/appendices.

List of Attachments

Attachments with relevant detailed information regarding the complaint:

- 1) Profiles of complainant institutions;
- 2) Chronology of the case;
- 3) Minister of Forestry Decision No. SK.367/Menhut-II/2013 on the Designation of Productive Forest Area from Compensation Land in Relation to the Forest Lease by PT. Semen Dwima Agung, Located in the Village of Ringinrejo, District of Wates, Regency of Blitar, East Java, with an Area of \pm 724.23 (Seven Hundred Twenty Four and Twenty Three Hundredth) Hectares;
- 4) Decision of the Jakarta Administrative Court, Case No. 181/G/2013/PTUN.JKT, dated 22 April 2014
- 5) Ministerial Regulations
- 6) Pictures of the People's arable land
- 7) The land history book of Blitar Regency
- 8) The People's Refusal Letter (Declaration): 7 July 2012
- 9) Report on the Handling of Land Disputes and Conflicts
- 10) Committee for the application of ex-plantation land of Gondangtapen, Ringinrejo village, Wates district, Blitar regency
- 11) Witness Testimonial: Ahmadi Maksum
- 12) Witness Testimonial: Petrus Sularno
- 13) Experts' Analysis

- 14) Press Release: Swiss Foreign Affairs Committee wants mandatory Human Rights Due Diligence

Complainant

- Institute for Policy Research and Advocacy (ELSAM), Indonesia
- Fransiscans International, Switzerland
- Solidarity of Blitar Villagers (Sitas Desa – Blitar), Indonesia
- Aryo Blitar Farmers Association (*Paguyuban Petani Aryo Blitar - PPAB*), Indonesia
- Consortium of Agrarian Reform (KPA), Indonesia
- Transformation for Justice (TuK) Indonesia
- AURIGA, Indonesia

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