

CHAPTER III PROFILE OF PT NEWMONT

Newmont mining corporation (NMC) is a leading gold-producing companies operating in five continents. Founded in 1921 in New York City and listed on the New York Stock Exchange (NYSE) since 1925, Newmont is also listed on stock exchange of Australia and Toronto with legal domicile in Denver, Colorado, United States. In Indonesia, NMC founded two subsidiary Newmont Minahasa Raya (MNR) in North Sulawesi and Newmont Nusa Tenggara (NTT) in West Nusa Tenggara. For an overview of Furthermore, PT Newmont Nusa Tenggara or in addition abbreviated PTNNT is the company that manages the green stone mining Sumbawa openly. This company is a joint venture by the comparison stock ownership i.e. Newmont of 45%, Sumitomo corporation of 35% and PT Pukuafu Indah by 20%. In 1986, PT NNT handle project to conduct exploration and exploitation in the area of contract works in NTB in 1990, PT NNT do mining in BatuHijau, is it a copper mine containing gold. After the discovery of the mines, the technical study was conducted and the environment was run for six years ago after obtaining approval from the Government in 1996. Green stone mines project begins every ton of ore processed and produce 4.84 kilograms of copper and 0.37 grams of gold about 30% concentrates treated and purified by PT Smelting in Gresik and some 70 percent are exported to foreign countries, among others, to Japan with a total investment value of USD 1.8 billion.¹

The presence of PT Newmont Nusa Tenggara was expected to play an important role in providing a positive contribution to the enhancement of the national economy, creating jobs, becoming obedient taxpayers, supporting government programs and specific policies, and carrying out

¹<https://job-like.com/company/3941/>

social responsibility in place of operation of the company. "Just for information, all customs 2016 out of translucent Rp2,9 trillion. Approximately Rp2,5 trillion comes from customs exit export minerba ".² As a public company registered in the world's leading stock exchange.

PT. Newmont attached to high standard proficiency as well as leadership in the areas of environmental management, health and safety for its employees and surrounding communities, and as a subsidiary company of Newmont Mining Corporation, PT Newmont Minahasa Raya and Newmont Nusa Tenggara (NTT) signed with the Government of Indonesia, KontrakKarya and also bound to apply high standards of proficiency as well as leadership in the areas of environmental management, health and safety for the employees and the public about mining. The research was conducted and found two important points related to the implementation of the social responsibility of PT Newmont Nusa Tenggara community circumference against mine, namely:

First. A variety of activities and programs that led to the company's social responsibility towards the community around it like a touch of the program in the sectors of health, education, social culture, infrastructure, enterprise development community to the attention and protection of the rights of the employees have provided considerable benefits for the welfare of society.

Second. On the other hand, there are still many issues of social development which is a corporate social responsibility to society that the mine ring has not given optimal attention and genuinely like the treatment and attention to the danger of waste tailings, treatment and care on the reclamation area damaged as a result of mining activities and processes, treatment and attention to the pollution of the River, not to

²<http://economy.okezone.com/read/2017/01/12/20/1590157/2016-freeport-dan-newmont-penyumbang-terbesar-bea-keluar>.

mention speaking a fervent desire to help the Government and the surrounding community in order to develop tourism potential, to the question of "culture shock" for the people of the circumference of the mine (Lincoln and Cuba, 1985 : hal 39) .

It can be concluded that corporate social responsibility means the company is able to take charge of all activities that affect human beings, their communities, and the environment, which will ultimately have an impact on human well-being and the community. "a move designed to boost the overall living standard of the community through active participation and, if possible, based on the initiative of the community. This includes various district level development activities, whether carried out by the Government or by nongovernmental institutions. The development community should utilize the cooperative movement and should be done through cooperation with local government agencies " (Brokensha and Hodge,1996, dalam adi 2001,, Dalam Nasdian 2006) .

A. Program of PT. Newmont

1. Support the Human Resource Development (DPSDM)

Community development program of achievement is an assistance program funds for secondary and high school students a potential boost for their achievements expected to pursue their education level to College (PT) in Indonesia and a potential for students to improve their both academic and non-academic achievements in the field of education (for example: sports, art and cultural accomplishments, etc.) As for the magnitude of the achievements of the community development program administered in accordance with the level of education is as follows:

Table 1. Scholarship Program of PT Newmont For SMP, SMA, D3, S1, S2, And S3

No.	Education Level	Rp/Semester	Amount Rp/TA
1.	SLTP (SMP/MTs) – KSB	600,000	1,200,000
2.	SLTA (SMA/MA/SMK) – KS & KSB	900,000	1,800,000
3.	PT (D3 dan S1) – NTB*	2,400,000	4,800,000
4.	PT (D3 dan S1) – KSB**	1,200,000	2,400,000
5.	PT (S2) – NTB	4,250,000	8,500,000
	PT (S3) – NTB	5,000,000	10,000,000

* *Source: Scholarship Program of PT Newmont For SMP, SMA, D3, S1, S2, And S3.*³

Provided by student in NTB with GPA of 3,50

** provided for student of KSB with the GPA 3,00 and with non-academic achievement

As for the education, the grant is a form of active participation of PT Newmont Nusa Tenggara (PTNNT) in establishing and improving the quality of human resources for students who come from West

³*Program Beasiswa dari PT. Newmont untuk SMP, SMA, D3, S1, S2, dan S3*

Sumbawa Regency (KSB), especially the area around the mines, and other districts/municipalities in the province of West Nusa Tenggara (NTB). Funds are awarded to students for one academic year (TA) course and applied again to follow the selection of the recipient on the next FY.

2. Support Community Development

Corporate social responsibility is the commitment of the company or business to behave ethically and contribute to sustainable economic development while improving the quality of life of employees, their families, local communities, and the wider community, because in essence many mining companies are taking resources that originally belong to the local community. The existence of these mining companies in the midst of local communities has also been creating social jealousy because of the discrepancy between facilities and access to the company owned by citizens of the community, so the company must perform CSR programs to empower communities (community development) as a business favors therefore, the researcher will raise some issues about community development in the form of CSR programs on one of the biggest mining companies in Indonesia, namely PT Newmont Nusa Tenggara, and How it will affect the level of well-being of the local community. Since the beginning of its construction, PT Newmont Nusa Tenggara has started to carry out various activities to enhance the potential of existing local resources, among others with training programs for prospective employees and various business development training local agriculture including livestock and fisheries.

Community development (Community Development) is one of the forms. Community development illustrates the important meaning of two

concepts: community quality, meaningful social relations and development, changes in the direction of the planned progress and are way up. This meaning is important to the sense of real community development.⁴

Based on the above understanding that community development empowerment is an attempt to support the welfare and independence of the community in which it includes the element of participation based on the phenomenon. Then the community needs to be developed and empowered in order to increase their independence, so it is expected that individuals, groups or communities can have the ability and skills to maintain and protect the health of their own (independence or self-reliance). With the creation of a Community Development's Program is part of the CSR of PT. Newmont Nusa Tenggara which is one of the largest mining companies in Indonesia turns out to have been doing CSR programs as welfare improvement efforts the local community.

According to the headlines, there are some areas of the most prioritized among the business world in their Community Development programs, namely the Ministry of health, local businesses, and education. Table 1 shows the percentage of the areas of priority.⁵

⁴Nasdian, Fredian Tonny. *Pengembangan Masyarakat (Community Development)*. Bogor: Departemen Komunikasi dan Pengembangan Masyarakat Institut Pertanian Bogor. Accessed on 2017-11-01

⁵Utama, Harry Wahyudy. 2007. *Tanggung Jawab Sosial Perusahaan, Investasi Bukan Biaya*. <http://klikharry.com/detail.php?id=211>. Accessed on 2017-11-01.

Table 2. The Percentage of The Most Prioritized Fields Among the Corporate World in CSR Programs

No.	The most prioritized fields percentage	(%)
1.	Health Service	82
2.	Local Business	61
3.	Education	57

Source: PIRAC, 2003, inUtama (2007)

The focus of the Community Development programs of PT Newmont Nusa Tenggara is to develop human resources and natural resources where education is the key word. The forms of its activities are:

a. Health

It includes the eradication of malaria, maternal and child health programs, water and sanitation, prevention of TUBERCULOSIS and sexually transmitted diseases, the establishment of the Posyandu community and health centers, as well as health counselling.

b. Education

It includes an emphasis on improving the quality of education through teacher training and school-based management approach. For the non-formal education, it is in the form of an increase in vocational training, namely automotive repair, welding, computer skills, language of the United Kingdom, and electrical repairs. Subsequently, the informal education sector also emphasizes on the eradication of illiteracy, and the reinforcement of the institutional partners group. In addition, the

community development program in the field of education also includes education, training, infrastructure development, education, library equipment assistance and scholarships.

c. Local Business

It includes an effort to boost local efforts for its sustained economic growth. The aid includes sewing, paving block factory, sawmill equipment, container repair, agriculture and fishery products that include a variety of fruits, vegetables, honey and others, and service contract that includes skills training micro-finance and business skills training in PT Newmont Nusa Tenggara, Local Purchasing Initiatives have been established to increase the purchase of goods and services that are local, and help local businesses meet the requirements of PT Newmont Nusa Tenggara. Currently, PT Newmont bought 25 tons of goods each month to local needs of internal worth 10 billion dollars per year. Thus, local businesses capacity will increase and be able to compete outside the mining area. Later, local empowerment assistance training program also includes, container repair, sewing, skills training, microfinance training and others. Participants received training certification with a variety of internationally-recognized expertise.

Social assistance is another aspect of PT Newmont Nusa Tenggara assistance to the community as the direct assistance. The main assistance covers assistance for disaster relief efforts by the local government, civic and cultural activities,

training and education, religious activities, seminars and conferences, program of NGOs and small business development. Social Assistance Committee includes some of the members of the management of PT Newmont Nusa Tenggara.

The World Business Council on Sustainable Development also commented in terms of CSR arguing that "CSR is the commitment of business to contribute to sustainable economic development working with employees and their representatives, the local community and society at large to improve the quality of life, in ways that are both good for business and good for development".⁶

Corporate social responsibility means that companies are able to be held responsible for all the activities that affect human beings, their communities and the environment. Thus, the public expected to behave politely and cooperatively towards the existence of the company, while the company can still operate in a healthy advantage in the pursuit of its economy while still boosting their social life to the environment, without the need to worry about the presence of impaired social.⁷

Community development programs of PT. Newmont Nusa Tenggara alone is quite effective, though most of its construction implementation is handled by the PT. Newmont. Then, various aids from PT. Newmont have changed the face of

⁶Syam.2007.KonsepKedermawananKorporasiBisnis. http://imaunhas.com/index.php?option=com_content&task=view&id=23&Itemid=52. Accessed on 2017-11-08

⁷Achda, B. Tamam. 2006. Konteks Sosiologis Perkembangan Corporate Social Responsibility (CSR) dan Implementasinya di Indonesia. <http://www.menlh.go.id/serbaserbi/csr/sosiologi.pdf>. Accessed on 2017-11-08

West Sumbawa. The community really feels more considerable value-added benefits from the assistance and facilities provided by PT Newmont Nusa Tenggara, as formal education scholarship assistance, training, infrastructure development and relief activities in religious social.

However, the existence of PT Newmont Nusa Tenggara in West Sumbawa is by no means without complaint. The remaining complaints of which damage the environment land, water, air, and biological resources. In fact, the PT Newmont Nusa Tenggara, was once accused of being the cause of the flood that engulfed the Taliwang almost every year. Therefore, the PT Newmont Nusa Tenggara continues to implement environmental management and monitoring program that are specially designed in order to minimize the risks and dangers against the workers, the community and the surrounding flora and fauna. The main priorities identified for the implementation of the AMDAL study is the placement of tailings.⁸

But the programs planned by the PT. Newmont itself sometimes is not always right on target and does not meet the expectations.

B. Strategic Plan of PT Newmont Nusa Tenggara.

According to the Department of the Interior, LAN RI, BAPPENAS and BPKP (2001), the sense of strategic planning is described as: performance accountability system in government agencies. Strategic planning is the first step to carry out its mandate. Strategic planning of

⁸Anonim. 2007. Menentukan Sumberdaya Manusia dan Alam. <http://www.batuhijau.com/index.php?p=14#more-14>. Accessed on 2017-11-08

government agencies require integration between human resources, expertise and other resources in order to be able to answer the demands of the development of the strategic environment, nationally and globally. The relationship between the community and the company has been experiencing a shift, the company initially launched a program of Community Development (CD) in its attempt to build a relationship with the community. Then with CSR activities as a social license to operate. Lastly, companies are expected to have a role of leadership in the community.⁹ However, it turned out that CSR activity is not sufficient anymore. With this CSR it does not mean lose its relevance. CSR remains important and should be executed, but in addition to the CSR, companies need to take leadership of the social incentive. This is what is termed by the Hills and Gabbon with Corporate Social Leadership (CSL).¹⁰

Strategic planning along with 16 measurement of performance as well as the accountability system is a series of his performance is important. According to Anggie (2012), "the sense of strategic planning is the process done by an organization to determine strategy or direction, as well as to take decision to allocate resources (capital and human resources) to accomplish this strategy". The purpose of the strategy is a competitive advantage that can be maintained and arise from both parts of the activities of the organization. Meanwhile the strategy according to Kolopaking (2013) is the science and art in utilizing existing resources to achieve the objectives that have been determined.

⁹A.B. Susanto, op.Cit.hal. 6

¹⁰ibid

1. The Responsibility of PT. Newmont Through CSR

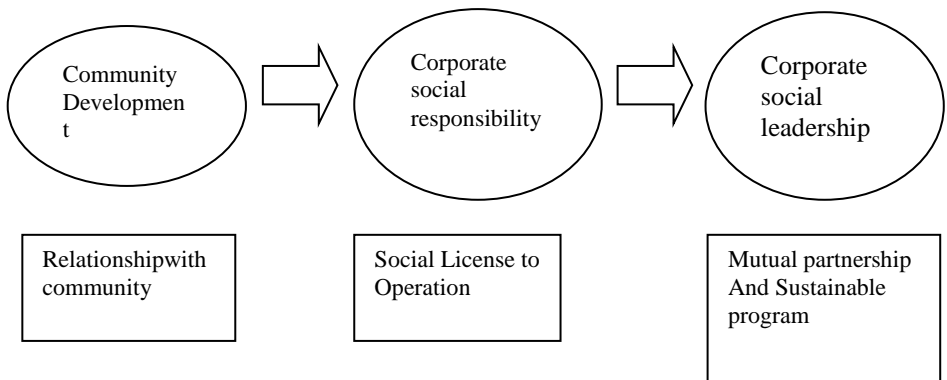
Corporate social responsibility programs or Corporate Social Responsibility (CSR) was firstly put forward by Howard r. Bowen in 1953. After that, the CSR experience concept was developed continuously. The original CSR activities are oriented in the "Philanthropy", so this time it has been used as one of the company's strategies to improve corporate image that will affect the company's financial performance. Financial sector mane is co-designer, along with the importance of community development towards the implementation of CSR. In 1962, Rachel Calson through his book "*The-Silent Spring*" presented the world about environmental damage and result in life by lethal pesticide toxins. The exposure presented in the book "silent spring" arouse the consciousness of many parties that the behavior of corporations must be fixed before it reaches destruction together. From this era of awareness about the environmental impact of the standing of each Corporation CSR (Corporate Social Responsibility) began to be built in the era of the 1970. Many professors tried to figure out how to profit by writing a book about the importance of corporate social responsibility. Among these books are: "*beyond the bottom line*" by Prof. Courtney c. Brown, the first person to receive the title of professor of public policy and business Responsibility at the University who was in Colombia.¹¹

This is where the concept of CSR and then it began to appear and continue rolling, then developed and applied in various forms. To apply and implement CSR as part of the operations of the

¹¹AB Susanto, *A Strategic Management Approach, CSR*, The Jakarta Consulting Group, Jakarta, 2007, hlm.21

company, putting the vision; "being a mining company's most valued and respected through leadership in the areas of safety, environmental management and social responsibility".

Figure 1. Corporate Sustainability & Responsibility



CSR is now regarded as an opportunity to improve competitiveness and as part of the risk management towards the sustainability of its business activities. On the understanding that other social responsibility or social responsibility are defined as follows.

Putting the aspects of social responsibility as an important part of the company's performance, it is realized by building a parallel partnership based on the belief that promoting professional values as well as adding value to Community about mine. In order to support and realize the vision of social responsibility, PT. NNT has formulated the first strategic plan (Renstra) in 2004. It was used as an instrument and reference in the implementation of community development programs every five yearly, either for the medium or long term so that programs that are

implemented are relevant to the needs and objectives to be accomplished is a comprehensive contribution from the corporate world toward continuing its construction, taking into account the impact of economic, social, and environment of its activities.¹²

It is clear that the CSR is the spirit of the overall operation of the cooperative companies to meet the needs of society's attitudes and opinions that are always pros and cons. It is part of the company's life history and development the concept of CSR itself. Pros and cons regarding the development of CSR continue to roll. One of them is the responsibility of the social nature mandatory or voluntary which when Corporate Social Responsibility activities (referred as CSR) are required in legislation. The context of the development of CSR-activities are not only on production, but it also has been stated that CSR should be oriented to community empowerment in improving the standard of living of the citizens Therefore, the community corporate social responsibility needs to be constructed within a framework of the paradigm shift from "production center development" to "Browse center development ".

Indeed, it is the seeds of philanthropic spirit of CSR in the company. However, the pressure from the community, especially in the Middle the community is critical to the European communities, which makes the CSR becomes a kind of social license to operate, and this is done by the community, not by the State.¹³

Thus, the action is characterized with the implementation of CSR principles that include

¹²Proper alat Ukur CSR, Dikutip dari CSR Review, Majalah Bulanan Vol.1 No. 1, Januari 2007, Jakarta.

¹³Dikutip dari A.B. Susanto, *Corporate Social Responsibility*, The Jakarta ConsultingGroup, 2007, hal. 3

decentralization, participation, empowerment, networking, preservation, territorial, and local economies. In line with the context of the CSR, then various attempts of intervention for speed up the process of community development by are performed involving all parties and stakeholders, where private parties/companies will take the role as a catalyst in helping the community achieve its goals, and support the strategy policy of local governments that are realized by designing and implementing community development programs that can eventually transfer the ownership to the community or government objective to realize an independent society and to have a provision to live in prosperity in the long term. Relevant to the theory of social change Stating that a process usually results in social circumstances and the social structure which is totally new. However, the implementation of CSR still has drawbacks. CSR programs run by many companies have only short-term influence with limited scale.

CSR programs implemented are often less able to touch the root problems of the community. Company parties often still consider themselves as the party that best understands the needs of the community, while the community is considered a fringe group who suffers, so companies need help. In addition, the CSR activities are considered solely done for the creation of a company's reputation that is not passive for the sake of improvement of quality of life of communities in the long term.¹⁴

Another criticism of CSR implementation is because it is often organized by limited amount of fees does little, although CSR is identical with a large company. The problem is with the power of the

¹⁴Margiono, *Menuju Corporate Social Leadersip*, Suara Pembaruan, 11 Mei 2006

existing resources and the power resources the owned by company. A large and well-known company-is capable of forming the impressive public opinion as if they had been carrying outCSR, though it does only solely philanthropist activity, even it could be made to cover the behaviors ofthe unethical and unlawful deeds.¹⁵

2. Sustainable Development for Post Closure

The principle of sustainability (sustainability) relates to the actions taken in the future that can have an impact or influence on the steps we can take in the future. If the resources that we use now are no longer available, in the future where such resources are said to be limited in number, thus, at any given moment alternative resources are needed to simply fulfill a function of resources that exist today. This is good for the organization where they can control costs by using resources or materials, they provide themselves than look for it from outside. Therefore, its primary purpose is to conduct activities that are sustainable for the future.

The aspects of sustainability of CSR implementation are indispensable because of the associated increase in social welfare and achievement against the growing issues surrounding (social, environmental, economic), and making the community to better developed and independent to this issue. In addition to bring positive impact to the community, this implementation also gives a positive impact for companies i.e. companies are capable to indirectly boost its image at the same time a reputation for a long span of time is created. This is reinforced by the opinions revealing that CSR is an activity that is often

¹⁵ibid

referred to as "continuity and sustainability" or synergize and sustainable which is a vital element of CSR.¹⁶

An activity is not only a "charity" or sheer philanthropy (acts of generosity to help communities), but it is an activity that is characterized by long term perspective on the instant, not happening, nor the booming. CSR is a mechanism that is planned, systematic and can be evaluated. The success of this activity can also be seen that the occurrence of more independence in the community compared with before the CSR programs are present. Sustainability at a strategic plan of PT Newmont. The program is expected to build sustainable communities, i.e. provide opportunities for underprivileged families with a background of farmers and ranchers living, where their children could not continue their education well. For that reason, the implementation of CSR in the sustainability is embodied in order to give a positive impact on the environment and the social. Thus, the conception that exists in this sponsorship program is a form of social activity, due to corporate social responsibility, it is a commitment at the corporate responsibility to provide activities that impact operations within the dimension of the economic, social and environmental issues in the community on the programs that have been granted by HESS Indonesia and ISCO Foundations. Therefore, the company is obliged to keep the impacts remain a benefit rather than harm to the community stakeholders on program recipients. Paul A. Argente corporate communications mentioning in his

¹⁶Triantara, Yosol. 2007. Community Relations : Konsep dan Aplikasinya. Simbiosis Rekatama Media : Bandung. Diakses dari <http://openlibrary.telkomuniversity.ac.id/pustaka/9831/community-relations-konsep-dan-aplikasinya.html>

book that corporate responsibility or also referred to as corporate social responsibility shaping the honor of an organization for the interests of the community, demonstrated by taking the effect of sense of belonging towards the key constituent activity including consumer, employees, shareholders, communities and the environment, in all parts of their operations. Accountability often extends to exceed basic implementation with existing regulations to include voluntary efforts and proactively to improve the quality of life of employees and their families as well as for the local community and society at large.¹⁷

Mine closure should not be an 'end of mine life process' but rather should be integral to the 'whole of mine life' if it is to be successful. Planning for closure should commence at the feasibility phase of an operation. In this way, future constraint on, and costs of mine closure can be minimized, and post-mining land use options can be maximized and the innovative strategies have the greatest chance of being realized.¹⁸

The Minahasa mine closure plan was submitted to the government of Indonesia in March 2002 and approved in December that same year. However, the preparation for mine closure commenced much earlier. In March 2001, PTNMR implemented a stakeholder consultative process to assess the potential socio-economic impacts on surrounding communities

¹⁷Argenti, Paul A. & Janis Forman. 2002. *The Power of Corporate Communication*.

McGraw-Hill : USA. Diakses dari <https://www.amazon.com/Power-Corporate-Communication-Crafting-Business/dp/0071379495>

¹⁸ANZMEC (2000) Australian and New Zealand Minerals and Energy Council. *Strategic Framework For Mine Closure*, Minerals Council of Australia. Diakses dari <http://www.sernageomin.cl/wp-content/uploads/2017/11/Strategic-Framework-Mine-Closure.pdf>

following mine closure (Lorax, Environmental, , 2002) .

The objectives of PTNMR's sustainable development are:

1. To create reclamation forest that will be sustained after the mine closes
2. To create new industry for the community that will be sustained after closure
3. To create an independent and self-reliant community after closure

PT. Newmont's three main pillars and programs of sustainable development include:

1. Environmental sustainability
 - a. Reclamation forest (economic value of the forest)
 - b. Mangrove rehabilitation
2. Economic sustainability

Creating a tourism area
3. Social sustainability

Establishing community foundation

1. Environmental sustainability (reclamation score)

The 443.40 hectares of reclaimed mine area have already been handed over to the government of Indonesia in January 2013. The former mine area has become a secondary forest with high economic values. PTNMR has been the first mining company to apply government regulation N0.60/2009 regarding forest rehabilitation of ex-mine area. According to the

regulation criteria's, PTNMR score is 93 out of 100% vegetation plants coverage accomplished (minister of forestry Republic of Indonesia, 2010). The score was based on several accomplished criteria. Land management (20 points), erosion and sedimentation management (30 points) and revegetation (50 points). Land management includes land surface management, refilling the pit hole, size of the area, ground stability and top soil sowing. Erosion control includes land conservation building, cover crop planting, erosion and sedimentation. Revegetation includes the size of reclamation area, percentage of plant growth, number of plant growth, composition of vegetation and plant health.¹⁹

a. Economic Value of The Forest

The main species planted in reclamation area, i.e. mahogany, teak, nyatoh and sengon have grown relatively well and will become a valuable investment for the future and will be inherited by the community and the government. The size for trees to gain premium price starts at diameter greater than 30 cm. Therefore, sengon could be harvested

¹⁹MINISTER OF FORESTRY REGULATION No. : P. 30/Menhut-II/2009 ON REDUCTION OF EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION PROCEDURE.

diaksesdari.https://theredddesk.org/sites/default/files/minister_of_forestry_regulation_on_redd_procedure_p_30_2009.pdf

earlier than other species followed by mahogany, teak, and the slowest one is nyatoh. However, the price of sengan is not as high as other species which is only around US\$ 70/m of log, or approximately US\$ 20 per tree with a diameter of 30 cm. Therefore, extrapolating from the data in table 1, where the number of sengan is 3,754 trees, and the other three highly commercial tree species are 163,294 trees, reforestation will generate income of US\$ 20,411,750. The stand could be harvested in rotation to ensure its sustainability.²⁰

²⁰Mansur, A., Sompie, D., Wiryanto, K. and Kojansow, J. (2010) Mining Gold and Inherit Green Gold For Sustainable Environment, Bogor Agricultural University and SEAMEO BIOTROP, PT. Newmont Minahasa Raya, Indonesia.

Table 3. Proportions, Numbers and the Growth of Tree Species Planted in Mine Rehabilitation Area

No.	Tree Species	Proportion %	Total number (trees)	Diameter (cm)	Height (m)
1.	Mahogany	52		25.2	14.0
2.	Teak	19	97,601	15.9	15.9
3.	Nyatoh	16	35,662	12.6	12.5
4.	Sengon	2	30,031	31.9	19.4
5.	Mix species	11	3,754	NA	NA
			20,646		
	TOTAL	100	187,694		

Source: Corporate Social Responsibility

(NA=Not Available).Note: *Diameter and height data are measured from the average size of trees age 9 years old only.

From the data, it can be concluded that it is possible to convert gold mining to sustainable high economic timber production (green gold). However, selection of the trees species is important it is not only ecologically important tree species, but it is also those of economically valuable. PTNMR is currently working closely with the local government to protect the forest and to improve its status category to that of national garden. The reclamation forest serves a long-term economic benefit and also has significant role in

reducing carbon emissions from the environment.

2. Economic Sustainability (Developing tourism Area)

Sekongkang and its surrounding areas have been developed into an integrated tourism area. Facilities built include sports fields, public toilet and lifeguard post. Most of the tourists that come to the area are domestic tourists. PTNMR handed over the area to south east minahasa government in 2006. The tourism area is presently managed by sekongkang district government. Visitors have to buy tickets for IDR 2,500/person and IDR 5,000/vehicle. The revenue from ticket sales were later included as southeast minahasa regional revenue. Villages rents boats and sell food to tourists, the bay has become one of Sumbawa besar important new diving locations. The effort to promote the bay underwater tourism was started in 2010. The company was working together with the tourism office of south minahasa to publish the sekongkang diving guidebook. Currently, the sekongkang has been widely covered by national and international media. Diving coverage in BatuHijau has appeared in many magazines. Tv shows and newspapers such as dive discovery, EZ magazine, national geographic Indonesia and the Jakarta post.

Sekongkang offers something quite individual amongst Sumbawa NTB existing dive attractions. Sekongkang distinctive DNA consists of clear waters and reefs that

explode with coral, so they are almost continuous carpets of coral. Some colonies are huge. One stand (maybe porites, actually we could not identify it in any of the books) appears to be single individual and was as large as a house meaning it was probably more than 1,000 years old.²¹

3. Social Sustainability (Establish Community Foundation)

Three community foundations were established to mitigate the social and economic issues associated with the closure of the mine. The main objectives of these foundations were to develop social and educational programs for SekongkangBatuHijau area after mine closure. The three foundations are:

- a. Minahasa Raya foundations was founded in 2000 by the government of Minahasa and PTNMR to implement education and environmental programs. The main activity was aimed at improving education quality in Minahasa to date. The foundation has granted donations to hundreds of students in Sumbawa NTB.

²¹Mustard, A. (2009) Striking Gold Buyat Bay North Sulawesi – Underwater Photography Scuba Ocean, Dive Photo Guide, viewed 26 February 2009, http://www.divephotoguide.com/underwater-photography-scubaoceannews/striking_gold__sekongkang_sumbawa_NTB

- b. Southwest region of the island of Sumbawa, sustainability foundation. Founded in 2006 by the government of Indonesia and PTNMR, its main focus has been infrastructure, education, cooperative, capacity building, agriculture, fishery and health. The foundation has built sekongkang hospital, the most advanced and biggest hospital in southeast Minahasa. The government of Indonesia and PTNMR also agreed to establish an independent scientific panel (ISP) to monitor sekongkang bay water quality for 10 year (2006-2010) as well, the foundation has established community cooperatives in every village in Sekongkang and BatuHijau.
- c. The sekongkang sustainability foundation. Founded in 2008 by PTNMR and representative of the local communities of BatuHijau, the foundation distributes scholarships for students, assists small enterprise, distributes micro-credit and has established a business company and a radio. The foundation received “Smart House” facility for early age education improvement donated by the first lady of Indonesia, Mrs. AniBambangYudhoyono. Smart house is a part of smart Indonesia program established by the first

lady and Association of Indonesia Minister's wife. Smart house is a program to donate a building completed with computers room, tv, library car/motorcycle and books to a remote village or district. The tutor would be recruited to teach children and adults using equipment and facilities in the house.

PTNNT's programs determined to set standards of excellence by means implementing the Corporate social Responsibility/CSR concept through sound environmental stewardship and safety sustainability and community cooperatives. Several core principles of PTNNT used a sustainability program by aiming for communities self-sufficient and sustaining benefits beyond the life of mine. Partnership with community, government, non-government organizations, and other local associations. Appropriate technology by promoting technology that fulfils needs and can be operated and maintained locally. Best practices by incorporating "best practices" from both business and development assistance for program analysis, design, implementation, and evaluation community contributions by requiring active community and or government contributions for all activities to ensure ownership and sustainability. It is all done by leveraging external funds by synergizing FINNT resources with outside funds from donor agencies, NGOs, multi-lateral agencies, and private sector investment or contributions.²²

²²https://bacapdf.com/download/pt-newmont-nusa-tenggara-sustainable-development-at-batu-hijau_59ef3970d64ab25563bcaa4b_pdf#