

From the Editor

Good mining practices must be conducted in line with creating sustainable mining development in this country. However, illegal mining still occurs, particularly in the areas adjacent to the legal mining operation, particularly in Kalimantan and Sumatera. The illegal mining is not only carried out by local people, but also by other people who come from any part of the country. Ironically, some of the illegal mining operation is fully supported and funded by entrepreneurs. Environmental degradation takes place in the former mining activity, because the illegal miners never rehabilitate the land properly. It is expected that prevention and tackling of the illegal mining could be carried out by: a). Good mining practices, b). Law in order, assurance of law and conducive investment atmosphere, and c). Reduction of negative effects of environmental impacts based on Law Number 32/2009 concerning environmental management and protection. In addition, to cope with the illegal mining, it is also expected as beneficial for the state. For the mining industry, community empowerment through programs of corporate social responsibility is the main objective of protecting the mining operation. The cost of the community empowerment must be part of the feasibility study. This program is oriented for preparation of the community to self-fulfillment in the post-mining era. It is a sustainable economic development based on local commodities and receiving ability of the local community. This has been accommodated by the Law Number 4/2009.

The Law Number 4/2009 concerning the mineral and coal mining has already been issued and applied in this country. It is really expected that the law can assure law certainty and business; economic growth and national and regional revenue; regional development and participation of global business and regional community; social development for community by strengthening regional institution and using local content (raw material and human resources); and environmental conservation that can guarantee ecosystem continuity. The mining operation has a significant role to provide real value added toward the national economic growth and the sustainable national development. The mining business license holder has a compulsory to improve value added of mineral and coal resources in implementing mining operation, processing and utilization. This processing activity must absolutely be carried out in the country. Policy of limitation of raw materials (mining products) exports needs to be progressively implemented. In accordance with the above law, the mining enterprises will be prohibited to export the raw materials started from 2014. These enterprises have to process the materials domestically, and then exporting them in the form of finished products. By creating value added, the selling price of the products will multiply increase. Automatically, the foreign exchange and the tax in the country will increase as well. The other benefit is that the downstream industry will grow and create new job that has a potency of the regional economic growth.

After reading and assessing all the mining issues, it is absolutely expected that the certain new law on mineral and coal mining business, particularly the various regional regulations, will accommodate the golden bridge between R&D centre (supply aspect) and industries (demand aspect), which can synergize of the supply-demand on the mineral and coal commodities in accordance with the specific and characteristic products.

The Editor