

# K a b a r I t a h



Edition 27 : January - March 2011

## Editorial

This edition of Kabar Itah marks the passing of a very dear friend and great supporter of YTS.

There have been many testimonials on the life of Murray Clapham, but at YTS we have had a very special relationship with Murray over the years.

Murray played a key role in the formation of YTS in 1997. He realised the critical importance of starting early in building positive relationships with communities and with local government in the mineral exploration area.

Murray always had a very strong social consciousness, and is well known for his charitable work in Indonesia, Singapore and Australia. Through the Susila Dharma global network he provided advice and assistance to projects all over the world.

And certainly this social consciousness was the basis for starting a social development program in the communities close to the mineral concession in Central Kalimantan.

After joining Kalimantan Gold and YTS in 2003, I was able to work very closely with Murray and the other directors in shaping the direction that YTS was to take.

Murray was always there with his amazing personal charm and wit; always bringing a salacious joke or wisecrack to an otherwise serious discussion.

We're sure Murray will be very happy with the resurgence of exploration activities in the mineral concession, and especially that YTS can continue to expand its program in the communities along the Kahayan River.

We certainly will miss Murray's wonderful presence and we wish him well on his journey.

Salam brother.

**Bardolf Paul**  
Director

## **Kahayan 2011 : Year of Evaluation, Year of Change**



*Members of a Village Management Group, a YTS facilitator, and some villagers pose together after the annual village review in Tumbang Sian.*

In many villages along the upper Kahayan River, this year could be a challenging and significantly different one from previous years. Having been forced to operate at a reduced level of activity for the past two years, YTS is now starting to rebuild old relationships and pick up where we left off with the development process for this region. Thus, our program officers are now starting to re-engage with all of the villages in each of the three kecamatan in which we work.

Following on from the success of the vegetable program that started at the end of last year, our staff have now begun to meet with Village Management Groups and village government to confirm their willingness to actively work again with YTS.

The results of the participatory review of our 2010 activities have provided us with a good starting point for the year, and the knowledge that the communities in the Kahayan have all expressed an interest to continue working with YTS. During the review, many villagers spoke about their expectation for further assistance from YTS, both in dealing with government institutions, as well as with the ongoing development of

their livelihood activities.

We are also taking this opportunity to monitor and evaluate the work that we have been doing in these communities. Over the years, YTS has been through a variety of experiences regarding the approach and methodology we use in these villages; all of which have brought us to the point we are at now. One thing that is certain is that we have also brought about changes in community perceptions about the importance of public participation and the usefulness of working collectively to pursue development goals.

However, we are still in the process of evaluating the nature of all of the social changes we have facilitated; with a view to achieving better results in the future. As a result, in February, we contracted an external evaluator to come and conduct an independent assessment of our activities in the Kahayan. Furthermore, we have been making improvements to our reporting and monitoring systems, in order to enable us to better measure the results of our work.

After many years of ongoing activities, it is now time to re-evaluate, time to change.

## Project Extension by Blacksmith Institute & UNEP

In January 2007, YTS first began to introduce appropriate technology to mercury users as part of the UNIDO Global Mercury Project. In that year, we provided mercury condenser systems to all of the 36 gold shops in the town of Kereng Pangi in Katingan district. We have since expanded these activities to include three more districts: Murung Raya, Gunung Mas, Kapuas, and also the municipality of Palangka Raya, capital of Central Kalimantan. Thus, the recycling equipment we have distributed has reduced the threat of mercury contamination in mining settlements, villages, small towns, and even cities.

To date, the distribution and installation of our equipment has prevented around 12,000 kilograms of elemental mercury from being emitted into the environment. Instead of escaping into the air as a gas, all of this mercury has instead been captured and recycled by mercury users. This result has also reduced the demand for fresh mercury by the same amount.

At current prices, the replacement cost of this much mercury is well over a million dollars. Not only has this much value been retained within ASGM communities, but there are also certain to be economic multiplier effects, as the gold trade supports a range of other small business activities.

Although the economic benefits may be the main reason for the widespread adoption of the technology, the most significant benefits are those that result from the prevention of the mercury emissions. Levels of contamination are now greatly reduced in many urban areas, including our city center. In terms of human health, the benefits are enormous. In terms of environmental pollution, this represents less mercury accumulation within the hydrosphere, and less impact upon the biosphere.



Meredith Block from The Blacksmith Institute examines a mercury condenser.

In 2011, YTS will continue to implement this project in partnership with the Blacksmith Institute. Furthermore, as a result of further donor support from the USEPA-UNEP-Global Mercury Partnership, this year we intend to begin training other organizations to do the same kind of work. We also intend to demonstrate some technical solutions to government. We shall be undertaking action-research on gravity separation and concentration to reduce the quantity of mercury used by ore-processors, and will be examining small-scale cyanide processing as an alternative to mercury. With the help of our in-house media department, we hope to be able to document all of this learning; to be made available in the form of a training video, a technical manual, and a website.

## External Evaluation in Gunung Mas



Ibu Entin and Julia Keenan conduct the field investigation.

In February 2011, YTS engaged an independent consultant, Entin Sriani Muslim, to conduct an external evaluation of the work that YTS has been doing in Gunung Mas District since 2004. The aim of the evaluation was to examine the effectiveness of the YTS methodology, including the impact of our governance and livelihood capacity-building programs. By looking at the areas in which the programs are successful as well as those areas where they fall short, we will be better able to adjust our methodology to improve the value of our programs in the future.

Accompanied by YTS staff, Ibu Entin was able to visit six of the villages we work with, in three of the sub-districts of Gunung Mas. These villages were: Tumbang Ponyoi, Tumbang Sian, Tumbang Buntoi, Tumbang Mangkuhung, Tumbang Posu, and Tumbang Mahuroi.

The YTS team also observed the Sub-District Musrenbang process in Tumbang Marikoi and Tumbang Miri, and met with government officials in Kuala Kurun.

YTS would like to thank all of the people who so generously made time to talk to Ibu Entin, including those from village government, village management groups, livelihood interest groups, trainers, sub-district and district government and all who attended the focus group discussions. We look forward to informing you of the results of this evaluation in the next edition of Kabar Itah.

## Island Communities Plan for Development

When a village makes its own development plan, it is certain that the elements in it are going to be relevant to the community concerned. This is not necessarily the case when it is done by outsiders.

This February, each of the villages on Romang Island created their own Village Development Plans. Seven YTS staff spent a week facilitating the village planning process. We started with the training we always provide to new village management groups.

First, we held an all-day training event in each village, covering such aspects as: how to motivate people, form groups, plan and record events, make budgets, and report expenses.

Next, we undertook the preparation for the village planning forum: invitations were sent out, materials prepared, data consolidated, outputs compiled, and chairs laid out in rows. The three village planning events were all held over the weekend of the 12-13th February, starting in the afternoon and extending well into the evening.

Participation by the Village Management Groups was very good, and so was the level of participation by women and the disadvantaged. A good cross-section of the community attended, including the village government, the leaders

of the villages and sub-villages, teachers, and church delegations.

As a result, the village development plans each provide a clear understanding of the development concerns that are relevant to each of the three villages, and each plan caters to the needs and interests of the whole community and not just to the wishes of an elite.

Subsequently, outsiders (such as mining exploration companies) can now choose what kind of programs they wish to support: by referring to the development priorities listed by the communities; rather than by risking any imposition of their own ideas about the needs of each village.

In March, two YTS staff members returned to Maluku, in order to attend the Sub-district and District level planning forums which took place on the nearby island of Kisar. Thus, we were able to track the progress of the proposals, provide advocacy on behalf of the community, and liaise directly with the government staff responsible for development on the island. Many of the village proposals were accepted by the district as a result of these activities; giving a far more democratic and realistic meaning to the bottom-up planning process that is at the heart of Musrenbang.

## Building Economic Security in Bukit Batu

Bukit Batu is a poor rural area on the outskirts of the city of Palangka Raya. In this sub-district, there are more than six thousand people living in conditions of poverty. Half of the population subsists on a total household income of less than five dollars a day.

This year, we have developed a new focus for our work here: one that is both innovative and experimental, but with good potential to reach scale and to be sustainable. We are grateful to the Ford Foundation for providing the necessary funding for us to undertake this new endeavor.

In 2011, the main objective for our livelihoods program in Bukit Batu will be to build up the business and entrepreneurial skills of the seven communities in which we work. Expanding upon the technical training we provided last year, we now hope to strengthen the capacity of the Livelihood Interest Groups to further develop their micro-enterprises and make them more sustainable.

We will also be working to enhance and extend the financial management capacity of the Village Management Groups we have established, so that they may also learn how to access small loans, in



Interest group members make individual household saving plans.

order to finance existing livelihood activities. This added responsibility should improve their overall management capacity, especially in relation to organizing group finances.

One of the strategies we are employing to achieve this objective is by linking the interest group members directly to a local credit union that provides financial services to poor communities. Members of the credit union are encouraged to save money, and receive interest on their savings. Voluntary savings accounts can be used as guarantees for loans, and also earn high rates of interest.

Our target market is those members of the community who do not receive a monthly salary and thus find it difficult to approach banks. Many people in these communities currently buy motorcycles and other expensive goods from dealers who charge high lending rates. There are also many loan sharks operating in the area, charging extortionate rates of interest for short term loans.

We anticipate that having better access to financial services will enable poor households to improve their economic livelihood activities, and eventually improve their economic status.

# Paving the Path to Participatory Development

As we are now entering our eighth year of involvement with the government's participatory planning mechanism, YTS is now re-evaluating the methods we are using to help facilitate the process known as Musrenbang.

During the annual review in the Kahayan last year, many communities reported they felt a great deal of disappointment about the way the Musrenbang is presently being conducted. They felt that, particularly at the subdistrict and district levels, the Musrenbang is no longer taken seriously as a participatory planning mechanism, but has become merely a ceremonial event.

Our own involvement in facilitating community participation in the Musrenbang process was also discussed in the review. Although the villagers expressed their appreciation of our work, they also felt that this element of our work had not brought about many changes; neither had it influenced the government's program designs and priorities; nor had it affected their budget allocations.

Nevertheless, the communities did express satisfaction about getting our assistance in preparing and submitting proposals directly to government departments, as they perceive that this brings them more significant, tangible, and immediate results.

These inputs from the community are our starting point when reflecting upon the Musrenbang mechanism itself. Furthermore, it seems that the way in which these events are held, keeps changing from year to year throughout Central Kalimantan; so much so that the only thing that remains clear about this pattern of events is that the province lacks sufficient resources and skills to host an effective participatory event. Unfortunately, this government mechanism has not yet been able to respond to community needs in terms of building effective development programs.

Until now, YTS involvement has been to assist communities to participate in the event, as well as to strengthen their institutional capacities in dealing with the government. In addition to strengthening the capacities of both sides, one of our main objectives is to link the



Delegates from Tumbang Tajungan at the Sub-District Musrenbang.

villages to the local government services and to help the government to see the reality of development at the village level.

However, it seems to us that the Musrenbang will never be an effective medium to achieve these objectives if the process continues to be carried on in the same way as it is now. Therefore, we have started to develop a more systematic evaluation of the entire planning process, one that helps us to see how each step can be strengthened; rather than spending too much more of our time dealing with the current process.

YTS believes that more involvement in strengthening institutional capacities, and the abilities of government personnel, will help us to create a more participatory development planning process.

Although there is still a long way to go, we believe that we are still on the right track to succeed with our goal of achieving sustainable participatory development in Kalimantan for the future.

## News Flash

### **Tigers Realm study YTS methodology**

In April and May, two staff members from Tigers Realm came to observe our field activities in Bukit Batu and in the Kahayan. This valuable first-hand learning experience will assist them to integrate our community development approach with their community relations work on the Jelai gold exploration project in Bulungan, East Kalimantan.

### **Blacksmith Institute visits YTS**

Meredith Block and Budi Susilorini, from the Blacksmith Institute, visited YTS in May and travelled to ASGM sites in Katingan and Kapuas to witness the progress of our programs on mercury reduction.

### **B4E in Jakarta**

YTS took part in the International Business for Environment Convention in Jakarta, where together with Mansur Geiger from Kalimantan Gold, we contributed towards the discussion in the Mining breakout group, providing advice on artisanal mining and on the need for much stronger governance.

### **Ford Foundation coming to Gunung Mas**

In early June the Ford Foundation will be visiting Gunung Mas Regency with YTS to discuss providing support for local government to improve the planning and budgeting process.

### **YTS in Toronto**

The Executive Director of YTS, Bardolf Paul, traveled to Toronto to engage in the social development program at the 2011 PDAC global mining conference. While there Aidan Davy, from ICMM, expressed interest in using YTS as a case study in a new publication on sustainable development in mining.

## Agenda

### **April**

Launch of Micro-Enterprise Program in Bukit Batu.  
Monitoring of livelihood activities in Bukit Batu.  
Provincial Musrenbang.  
VMG training and refresher in Kahayan.  
Interest Group formation: fish, rubber and horticulture.  
Finalization of 2011 workplan and programming.  
Interventions in gold shops in Kapuas.

### **May**

Launch of Micro-Enterprise Program in Bukit Batu.  
Coordination with village heads.  
Initial visits by horticulture expert and rubber expert.  
Installation of mercury condensers and distribution of large-capacity retorts.

### **June**

Micro-Enterprise training in Bukit Batu.  
Horticulture training Phase I in Kahayan.  
Fish training Phase I in Kahayan.  
Health awareness-raising on mercury.

### **Kabar Itah**

Kabar Itah is the quarterly newsletter of Yayasan Tambuhak Sinta (YTS), an affiliate of PT. Kalimantan Surya Kencana (KSK), a mineral exploration company.

**Published by:**  
Yayasan Tambuhak Sinta  
Jl. Badak VII No. 2 Bukit Tunggul  
Palangka Raya 73112  
Central Kalimantan-Indonesia  
Telp. +62 (0536) 3237184  
Fax. +62 (0536) 3229187  
Email:tambuhaksinta@gmail.com  
Website:www.tambuhaksinta.com

**Bank Account:**  
Yayasan Tambuhak Sinta  
BNI 1946  
Palangka Raya Branch  
Central Kalimantan  
INDONESIA  
Number 0114981608  
Swift. BNINIDJA