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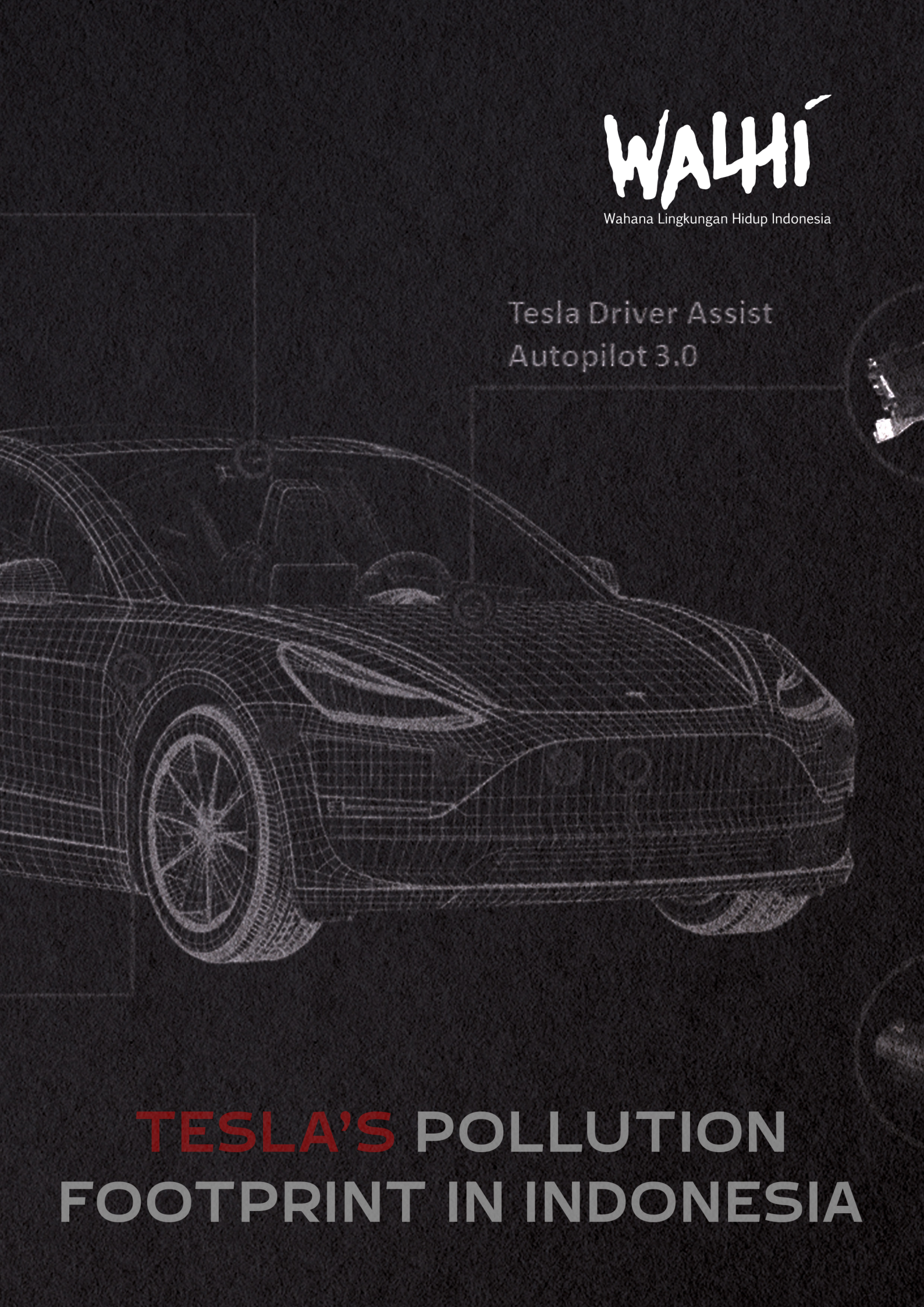

TESLA'S POLLUTION FOOTPRINT IN INDONESIA

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This report forms part of a two-country report focusing on nickel supply chains in the Philippines and Indonesia conducted by the Legal Rights and Natural Resources Center and Wahana Lingkungan Hidup Indonesia (WALHI).

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Abstract

The electric vehicle industry is positioned to help end the fossil fuel era, as it claims to reduce emission by not using fossil energy sources. One of these companies is Tesla, which has failed to calculate the impact of its supply chain on the Weda Bay Industrial Area, Central Halmahera, North Maluku Province, where one of its materials come from. In the Weda area, Tesla has caused significant environmental and social impacts. As a result, its claim to be environmentally friendly, sustainable, and Environment, Social, and Governance (ESG) compliant becomes questionable.
Keywords: Tesla, renewable energy, environmental pollution, ecological disasters.

1. Tesla's Background in Indonesia

On its official website, Tesla highlights the tagline "The Future is Sustainable", signaling its exit from the fossil fuel era. Its company profile also states how human rights and environmental protection are used as the basis for its procurement strategy. In 2021, Tesla claimed that, globally, its electric vehicle (EV), power saving, and solar panel technologies have allowed its customers to avoid the emission of 8.4 million metric tons of carbon dioxide (CO2) (Tesla, 2021a). In November 2022, Elon Musk stated: "Indonesia has been making a significant contribution by producing important materials for this sector (i.e., EV), one of which is nickel." Musk added that nickel is the main material for lithium batteries that are mostly used for long-range EV (Alfarizi, 2022). However, Tesla's claim related to emission reduction failed to calculate the company's impact and emission on its upstream supply chain. In fact, environmental pollution and conflict occurred in nickel mining, including in several areas in Indonesia.

Indonesia massively pushes and provides incentives (both in policy and fiscal) for the EV industry to mitigate climate change and reduce the use of fossil fuel energy. This commitment turns into a false solution when coal continues to be used as an electric source, and coal production quota keeps increasing. Meanwhile, appropriate incentives had not been given for providing reliable public transportation systems, mainstreaming biofuel on large-scale monoculture, and environmental protection at site-level extractive industries.

Public attention on EV reached its peak in early 2022 when Tesla expressed an interest to invest in Indonesia. In April 2022, the Coordinating Minister for Maritime Affairs and Investment, Luhut Binsar Pandjaitan, met with Tesla CEO, Elon Musk, to discuss EV, renewable energy, and the B20 event (Purwanti, 2022). One month after, Indonesian President Joko Widodo met Elon Musk at Stargate Space X, Boca Chica, United States (Dewi, 2022). After the series of meetings, at the end of May, the news spread that Tesla will instead invest in Thailand for USD 87.700 (Rizki, 2022). However, Elon Musk still attended a series of G20 events through video conference and the B20 Summit held in Bali, Indonesia.

Even though the process for Tesla to invest in Indonesia was back and forth, the regulations for EVs have since been issued in 2019 through Presidential Regulation No. 55 or the Acceleration of the Battery-Based EV Program. Unfortunately, the rules that apply on environmental protection (Article 1, Paragraph 5) of the said Presidential Regulation only focus on battery waste management.

1.a. Government incentives for the EV industry

Among the policies issued, the majority primarily focus on regulating incentives. For instance, there are 26 incentives that appear in Presidential Regulation No. 55—from fiscal to nonfiscal incentives, including central and regional government incentives, research incentives, domestic component level incentives, battery supply and rental company incentives, waste management incentives, battery facility and infrastructure incentives, and public and private vehicle incentives.

In particular, fiscal incentives are related to: import duty incentives, luxury goods sales tax incentives, central and regional tax reduction or exemption incentives, incentives for the imported material machinery for investment, and incentives borne by the government for the imported raw materials and/or auxiliary materials in the framework of production. In addition, there are also incentives for the suspension of import duties for exports, public EV charging stations equipment, export duty, research, electricity charging costs, and certification.

Meanwhile, nonfiscal incentives include exemption from restrictions on certain roads, granting rights to technology production, and assistance to secure the operations of industrial-logistics-industrial companies entitled as national vital objects (obvitnas). The title 'obvitnas' often provides justification for involving security forces and the military in securing the area, making it more vulnerable to conflict.

Efforts to accelerate and expand the use of EVs seem not enough and still continuing. In 2022, the government issued Presidential Instruction No. 7 regarding the use of battery-based EVs as operational vehicles for the central and regional governments. This policy, however, gives more benefits to EV manufacturers. Currently, there are 189,803 cars registered at the Directorate General of State Assets-Ministry of Finance. According to the year model of these vehicles, they are planned to be replaced with EVs in stages (Uly & Sukmana, 2022).

2. Tesla's Supply Chain

2.a. Indonesia Weda Bay Industrial Park (IWIP)

Tesla's pollution record in its supply chain can be seen in Weda Bay, an industrial area located in Central Halmahera Regency, North Maluku Province. Weda Bay has a concession area of 5,000 ha. A proposal for an additional 15,000 ha of concession is now in the pipeline. The Weda Bay Industrial Area (IWIA) previously obtained a principal permit through the Investment and Coordinating Board, now the Ministry of Investment, with permit number: 1949/1/P1/PMA/2018. The IWIA is also supported by national policies, such as the National Priority Project Policy based on Presidential Regulation No. 18 or the 2020–2024 National Medium-Term Development Plan (RPJMN).

In the RPJMN, IWIA is defined as a priority area through a public-private partnership (PPP) scheme. As a National Priority Project, its supporting infrastructure also defines a National Strategic Program that includes: (1) service in supply of raw water in strategic areas, (2) IWIA access road, (3) Weda airport development, (4) PT Indonesia Weda Bay Industrial Park (PT IWIP), and the (5) Weda crossing port development.

In general, the RPJMN regulates the strategic areas development and natural resources management in mining activities that focus on IWIA, as well as develops and strengthens integrated sea, river, land, and air for intermodal connectivity. To emphasize the priority of the National Strategic Program, in 2020, the government also issued Presidential Regulation No. 109, looking at the third amendment to Presidential Regulation No. 3/2016 on accelerating the implementation of the National Strategic Program.

PT IWIP has an obvitnas status, referring to Presidential Regulation No. 63/2004 on the security for National Vital Objects. Within this status, security in this area legally involves the TNI and POLRI.

PT IWIP is a joint venture of three Chinese investors: Tsingshan, Huayou, a nd Zhenshi. The IWIA is carrying out downstream nickel mining operations to provide raw materials for EV batteries, with a total investment of 106.23 trillion. This was the realization of the agreement between the Eramet Group from France and Tsingshan from China, together with state-owned company PT Aneka Tambang (ANTAM), in 2018, to develop a nickel ore deposit and a 30kt/Ni nickel pig iron smelter.

Weda Bay Industrial Area

2.b. Supply chain: Pollution flowing fromTeslat

Tesla, which often calls itself a ‘green’ industry, has a supply chain that ends in the IWIA. Two companies from China were listed in the IWIA to supply mining materials to Tesla: (1) Zhejiang Huayou, which signed a Framework Cooperation Agreement with PT Vale Indonesia, and (2) CNGR Advanced Material, which invested in two matte nickel projects with Rigqueza in Sulawesi and signed an agreement with Singapore-based Riqueza International Pte Ltd. to jointly invest in three projects in the IWIA to produce nickel matte in North Maluku. In addition, the company will invest in three other new projects in Indonesia to produce matte nickel.

Tesla’s plan to sign a nickel purchase contract worth around USD 5 billion with the two Chinese companies in Indonesia (i.e., Zhejiang Huayou and CNGR Advanced Material) contradicts the rules and agreements it stated in its sustainability report: strictly implementing Environmental, Social, and Governance (ESG) aspects in investment.

Zhejiang Huayou is headquartered in Tongxiang Economic Development Zone, Zhejiang, China, and is engaged in the research, development, and manufacturing of new energy lithium batteries and cobalt new material products. Meanwhile, CNGR Advanced Material is a subsidiary of Hunan CNGR Holding Group Co., Ltd., focused on professional and comprehensive service providers of advanced energy materials for lithium batteries based in West China, Dalong Economic Development Zone, Guizhou.

In Tesla’s 2021 Impact Report, it claims to have met the ESG indicators, specifically in the context of human rights. According to Tesla (2021a, p19.):

"The ethical treatment of all people and regard for human rights is core to our mission of a sustainable future. We believe all businesses within our supply chain have a responsibility to share our respect for human rights. Our human rights policy is the formalization of our commitment to uphold and respect these rights and the values they represent. We endorse and base our definition of human rights on the United Nation's Universal Declaration for Human Rights (UDHR). The UDHR focuses on dignity, respect, and equality, without discrimination, for all people. We are committed to upholding these rights and values throughout our value chain—including with respect to our employees, customers, shareholders, suppliers and the communities in which we operate."

In terms of environmental issues, Tesla likewise claims environmental protection and responsibility for sustainability. The company is also aware that operations in its supply chain have an impact on indigenous peoples living in areas where its materials come from—so, free, prior, and informed consent (FPIC) must be carried out. But this was not done (Tesla, Year).

Table 1. Tesla's supply chain policies

Appendix
Supply Chain Policies

The following tables provide summaries of our responsible sourcing policies, the full text of which can be found on our **Responsible Sourcing Policies page.**

Tesla Human Rights Policy		
Tesla believes the ethical treatment of all people and regard for human rights is core to our mission of a sustainable future and believe all businesses within our supply chain have a responsibility to support our mission and share our respect for human rights. We endorse and base our definition of human rights on the United Nation's Universal Declaration for Human Rights ("UDHR"). The UDHR focuses on dignity, respect, and equality, without discrimination, for all people. We are committed to upholding these rights and values throughout our value chain - including with respect to our employees, customers, shareholders, suppliers, and communities in which we operate.		
Health and Safety Suppliers are responsible for ensuring that their employees and contractors are provided with a safe and healthy work environment.	**Respectful Workplace and Equal Opportunities** Tesla recognizers the value of different backgrounds and perfectives in our workforce, and fully promotes equal opportunity for all employees, both current and prospective. Just as we do not discriminate on the basis of race, color, religion, creed, sex, sexual orientation, gender expression or identity, national origin, disability, medical condition, military and veteran status, martial status, pregnancy or any other characteristic protected by law, regulation or ordinance, we require our suppliers to similarly respect the people in their workforces.	**Environmental Protedction** We expect our suppliers to share our goal of recognizing environmental protection as a key principle of a sustainale future.
Child Labor and Young Workers Tesla strictly follows local and national laws restricting theemployment of underage workers. Regardless of local laws, no workers at a facility or location that provides materials used in Tesla products may be under the age of 15.	**Relationship with Communities** Tesla is dedicated to being a responsible member of the communities in which we live and operate. This goes beyond our ability to creat jobs and contribute to local value creation. We expect suppliers to also take every effort to continuously improve the positive aspects and reduce any negative impact of their operations on the local community, including with respect to environmental, social, and other quality of life factors.	**Indigenous Rights** The mining industry on which Tesla relies to source many raw materials that go into our products has historically had an adverse impact on the rights of indegenous peoples and communites in the ares in which they operate. For all raw material extraction and processing used in Tesla products, we expect our mining industry suppliers to engage with legitimate representatives of indegenous communites and include the right to free and informed consent in their operations.

Source: Tesla (2021a)

In the business transaction between Tesla, Zhejiang Huayou, and CNGR Advanced Material, the long-suffering local population and the environmentally damaged landscape are hidden from view. CNGR Advanced Material, which entered into a business agreement with nickel giant Tsingshan Holding Group, has indirectly contributed to the destruction of the local community living space in Morowali, Central Sulawesi, and Weda, Central Halmahera, North Maluku. Tesla's material sources located in North Maluku are currently experiencing massive deforestation, as well as ecological disasters and pollution of the water ecosystem in the region (WALHI, 2022).

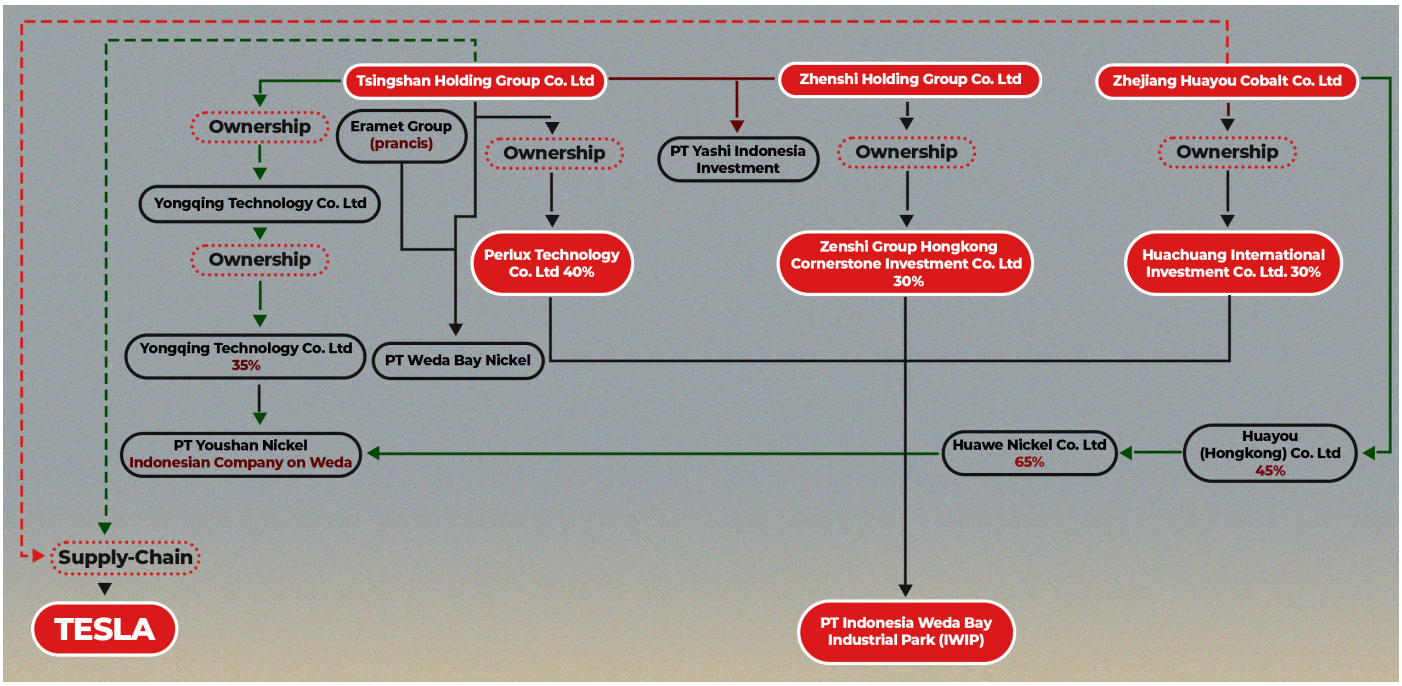
Meanwhile, business activities between Zhejiang Huayou and PT Vale Indonesia also put the safety of residents in East Luwu and Pomalaa, South Sulawesi, at risk. PT Vale Indonesia's activities, for instance, have caused harm to the community in Malili, East Luwu. Because of this business agreement, several cases of environmental damage and conflict occurring at the mining site have been documented, including the following (JATAM, 2022):

- PT Vale had caused pollution in East Luwu and Pomalaa, South Sulawesi. In 2014, oil spill from PT Vale Indonesia polluted the Lampia Sea. Then, in 2018, Lake Mahalona was also heavily polluted due to sedimentation from previous mining soil. In 2021, PT Vale's mining activities also polluted the waters of Mori Island, disrupting the aquatic biota, health, and livelihoods of the local community.

- In terms of conflict, in 2016, PT Vale was reported to have seized agricultural land from the Sorowako indigenous people in Nuha District, East Luwu. In 2022, it also criminalized seven activists and indigenous peoples around the mining area, after the local community and several environmental activists demonstrated and demanded to get their customary land back.

Tesla's supply chain (particularly materials from North Maluku) is connected through PT IWIP, which is a joint venture investment of three Chinese companies: Tsingshan Group, Huayou Group, and Zhenshi Group. Tsingshan is a major player with a majority shareholding (40%) through its subsidiary, Perlux Technology Co., Ltd. Meanwhile, Zhenshi and Huayou each own 30% of the shares (Rushdi et al., 2020).

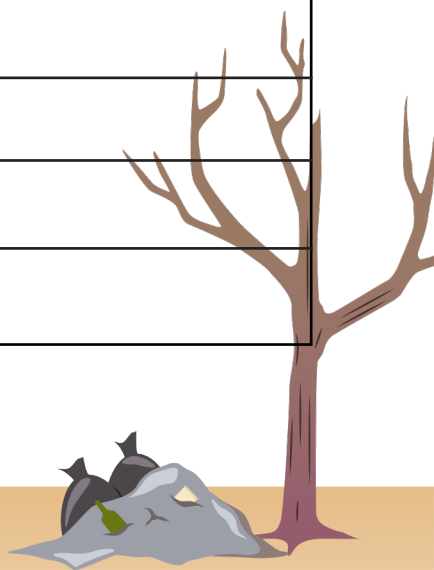
Figure 1. Tesla's material supply chain from PT IWIP



Source: Tesla (2021b)

According to the Tesla Conflict Minerals Report 2021, which was submitted to the US Securities and Exchange Commission to comply with the reporting period ending on December 31, 2021, and the Specialized Disclosure Report 2020, the supply chain of Tesla's materials is identified not only in the Sulawesi region but also in many other provinces in Indonesia, including the following (Tesla, 2021b; SOURCE):

No	Material	Company	Notes
1	Emas (gold)	PT Aneka Tambang (Persero) Tbk	
2	Timah (tin)	PT Aries Kencana Sejahtera (AKS)	PT AKS was suspected of being involved in the illegal export of tin blocks. Investigators from the Directorate of Specific Crimes (Tipidter) Bareskrim Mabes Polri have started to investigate allegations of violations in planning to export 150 tons of tin blocks. In 2020, the directors and commissioners of PT AKS were invited by the KSP (President's Staff Office).
3	Timah	PT Artha Cipta Langgeng	
4	Timah	PT Babel Inti Perkasa	
5	Timah	PT Babel Surya Alam Lestari	
6	Timah	PT Belitung Industri Sejahtera	
7	Timah	PT Bukit Timah Indonesia	
8	Timah	PT Mitra Stania Prima	
9	Timah	PT Panca Mega Persada	
10	Timah	PT Prima Timah Utama	
11	Timah	PT Refined Bangka Tin	
12	Timah	PT Sariwiguna Binasentosa	
13	Timah	PT Sariwiguna Binasentosa	
14	Timah	PT Timah Tbk Kundur	
15	Timah	PT Timah Tbk Mentok	
16	Timah	PT Timah Nusantarat	
17	Timah	PT Tinindo Inter Nusa	In July 2022, it was suspected of smuggling tin and was caught by the Joint Task Force of the Bangka Belitung Islands Police, in Batu Behole village, Pangkal Pinang, Bangka Belitung (Source, Year).
18	Timah	PT Tommy Utama	PT Tommy Utama has a Conflict Minerals Policy since 2016
19	Timah	CV Venus Inti Perkasa	
20	Timah	PT Tirus Putra Mandiri	
21	Timah	PT ATD Makmur Mandiri Jaya	



22	Timah	PT Cipta Persada Mulia	
23	Timah	PT Sukses Inti Makmur	
24	Timah	PT Menara Cipta Mulia	
25	Timah	PT Bangka Serumpun	
26	Timah	PT Masbro Alam Stania	
27	Timah	PT Rajawali Rimba Perkasa	
28	Timah	PT Mitra Sukses Globalindo	

2.c. Power relations within the EV industry

The EV and its complementary industries are supported by favorable regulations that facilitate incentives (both fiscal and nonfiscal) and ensure their security. However, conflict of interest was visible among political actors who were involved (directly or indirectly) in the EV business and policy deliberation process. Political actors' vested interest and disregard for the environment and public interest might transform conflict of interest into 'state capture corruption' (Kartodihardjo et al., 2019).

According to the National Public Procurement Agency (LKPP) information system, since 2021, the government has spent at least IDR 300 billion to procure EV through tender process, which was won by PT Sun Mega Motor, PT Cahaya Mutiara Perdana, PT ITS Tekno Sains, PT Arya Motor Indonesia, and PT Bumi Jasa Utama (Source, Year). The government claimed that the EV procurement was done to adhere to the Paris Agreement. However, Indonesia mainly used coal-powered plants to generate energy. Data from Statistics Indonesia show that Indonesia's coal production increased by 7.2%—from 565.69 million tons in 2020 to 606.22 million tons in 2021 (BPS, Year). In addition to coal-fired power plants construction easing until 2050, it is not an exaggeration that WALHI and JATAM considered EV as a pseudo solution.

Conflict of interest arose when President Joko Widodo's two closest allies and subordinates, Coordinating Maritime and Investment Affairs Minister Luhut Panjaitan and Presidential Chief of Staff and former military commander Moeldoko insisted that EV should be on the government's E-Katalog website (Rasdianto, 2022). E-Katalog is the official national procurement channel for all government bodies. The pressure from Luhut and Moeldoko forced Roni Dwi Susanto, the LKPP Head at the time, to resign in September 2021.

According to detikX investigation, E-Katalog website had eight eclectic bus models ranging from IDR 3 to 5 billion from Moeldoko's EV company, PT Mobil Anak Bangsa, which was established in 2017. Additionally, Moeldoko's second child, Joanina Novinda, was a member of the company's board of directors. Although not as apparent as Moeldoko, Luhut was planning to establish an end-to-end EV business as well. Luhut owned a 10-% share in energy company PT TBS Energi Utama Tbk (TOBA) through his company PT Toba Sejahtera (TS). In November 2021, PT TOBA and PT Goto Gojek Tokopedia Tbk announced a joint venture called Electrum that planned to manufacture EV and establish EV infrastructure (Rasdianto, 2022).

Coordinating Maritime and Investment Affairs Minister's spokesperson Jodi Mahardi responded to the investigative piece by writing to the media, stating two points. First, PT TS was a minority stakeholder in PT TOBA (9.999%). Second, PT TS was a passive stakeholder without any representative at PT TOBA's board of commission or management, signaling that PT TS did not hold any decision-making power over PT TOBA (Rahayu, 2022).

Meanwhile, Luhut's peers were also involved in the EV battery industry. For instance, PT Youshan Nickel Indonesia, a joint venture between Huayou Group and Tsingshan Group, was Indonesia's first EV battery manufacturer at IWIP in North Maluku. Tsingshan Group also had a factory in Morowali Industrial Park in Central Sulawesi. This factory was built as a joint venture between PT Shanghai Descent Indonesia Group and PT Bintang Delapan Mineral in December 2016. Luhut's business partner and former Army's Special Forces Command General Sintong Panjaitan was mentioned in the PT Bintang Delapan Mineral document. He was also the commissioner for PT Adimitra Baratama Nusantara, a subsidiary of PT Toba Bara Sejahtera Tbk in East Kalimantan. Another veteran and former Army Commander Fachrul Razi was the president commissioner at Luhut's family business PT Toba Bara Sejahtera Tbk.

Despite the denials, conflict of interest was apparent as there was little separation between public duty and personal interest. Conflict of interest could damage policy-making processes, state institutions and public officials' integrity. The loss of integrity could be seen as propensity to corruption and abuse of power (OECD, 2005).

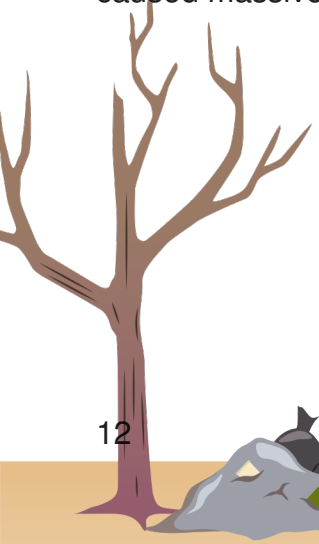
3. Pollution in the Grassroot: The Case of North Maluku

The overall framework of Tesla's 2021 Impact Report was shown to follow ESG indicators.
The indicators that were measured include (Tesla, 2021a):

- Corporate governance (human rights)
- People and culture (disaster relief safety)
- Environmental impact (reducing carbon footprint even further emissions credits)
- Supply chain (responsible sourcing and supplier audit program)

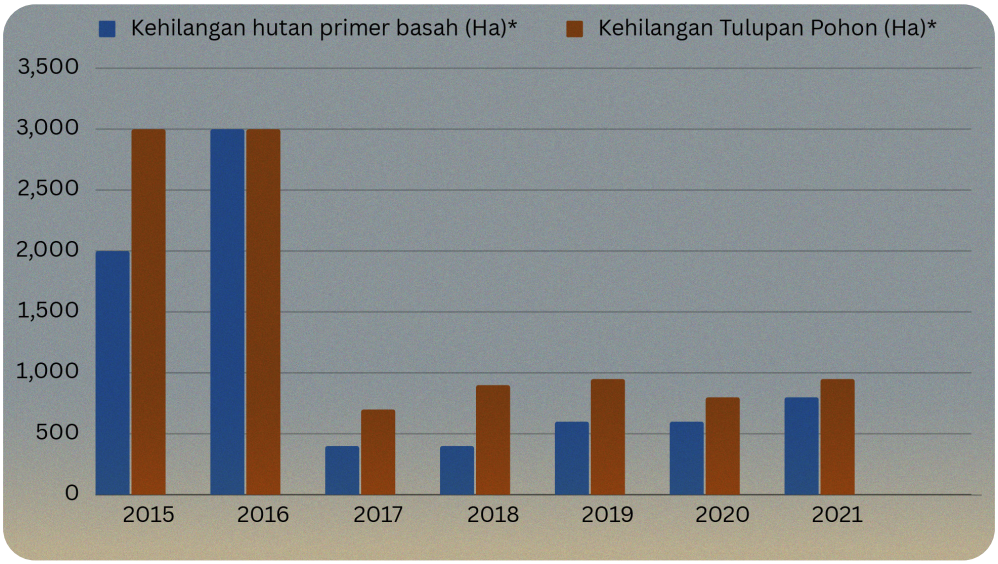
3.a. Deforestation and pollution

In contrast to Tesla's environmental impact policy that regulates carbon footprint and its supply chain policies that regulate responsible material sourcing, data from the Global Forest Watch (n.d.) show that, in 2001, the primary forest2 that used to cover an area of 188,000 ha, spanning 83% of the land area in Central Halmahera, had decreased by 798 hectares. The loss of primary forest area is equivalent to the emission of 659 kt of CO_2. Mining activities, especially rapid forest clearing, have caused massive tree coverage loss.



The graph below shows the rate of loss of wet primary forest[3] and tree coverage[4] in Central Halmahera.

Figure 2. Rate of loss of et primary forests and tree coverage in Central Halmahera



Deforestation due to PT Halmahera Sukses Minerel activities in Central Halmahera

Aside from deforestation, mining activities also caused river pollution. Surrounding rivers in Central Weda have changed colors drastically. The Ale Doma River in Lellief Sawai Village has become murky with a brown and blackish-red color. Similarly, Kobe River in Lukulamo, Lelief Wabulen Village has also experienced the same transformation during drought and even more severe during rainy season. The change in the rivers' color was due to the sedimentation that formed when the mud from nickel mining's land dredging went into the river.

Ake Kobe River has become reddish-brown and muddy during a sunny day.

Central Halmahera's overall carrying capacity and environmental capacity have exceeded their limit proven by the fact that 142,964 ha of the area's total 227,683 ha land has been given to 66 mining companies. This means 60% of Central Halmahera area has been acquired by mining concessions (JATAM, 2021).

3.b. Ecological disasters caused by mining activities

Changes in land cover have directly and indirectly caused ecological disasters in Central Halmahera, North Maluku, in which a massive part of the territory was exploited by a nickel mining company.

Floods often happen around the IWIP Industrial Complex, including in the Kulo Jaya Village, Woejarana, Woekop, and Lukulamo, Lelilef Woibulen, Central Weda District. Medium-intensity rain would cause flooding on these areas' main roads, whereas high-intensity rain would cause more severe flooding due to swift flow of water in the river, coupled with the accumulation of water in surface runoff.

On September 8, 2021, the aforementioned villages were hit by a more than one-meter flood of brownish water. The mudslide almost drowned and carried houses and household items, including food. The Central Halmahera Disaster Mitigation Agency reported that around 484 families were affected by the Kobe River flood (Sawal, 2021).

The IWIP Industrial Complex was also flooded back in 2020, inundating surrounding buildings. No casualties were reported; however, operational activities were halted for several days. On August 22, 2022, the IWIP complex was, once again, flooded.

Flooding at the PT IWIP industrial complex on August 20, 2022.

Mining companies were also granted permits to use rivers for industrial activities. Over the past three years, flooding was reported at major waterways, such as the Ake Sake River, Ake Wosia River, and Ake Kobe River. These rivers were part of nickel concessions, as companies like the PT IWIP and PT Tekindo Energi were granted permits to use rivers for industrial activities. The loss in forest cover ultimately affected the soil's water absorbency ability, causing floods (see Table 2) and other hazards.

Table 2. Flood report in Weda area, 2020–2022

Date	Water Level	Flood Location
August 26, 2020	>1 Meter	PT IWIP Industrial Complex
July 5, 2021t	1 Meter	Lokulamo, Lelilef Village
September 8, 2021	>1 Meter	Kulo Jaya Village, Woejarana, Woekop, and Lokolamo, Lelilef Woibulen.
April 13, 2022	1 Meter	• Weda-Sagea Road (PT IWIP Industrial Complex) • Around 1 kilometer from the front of Bank Mandiri to the front of the airport
July 22, 2022	>1 Meter	• Lelilef Sawai Village • Cekel Airport area
August 20, 2022T	1 Meter	The front of Gate 2 PT IWIP

Source: WALHI's compilation

3.c. Poverty in the surrounding areas of mining site

In contrast to the government's assertion that mining activities lead to prosperity, multiple studies have demonstrated the validity of the Resource Curse or Paradox of Plenty. For instance, Sachs and Warner (2001) concluded that more natural resource availability is directly proportional to economic slump.

Similar conditions were found at the Weda Bay mining area in Central Halmahera. Based on data from North Maluku Statistics Indonesia, Central Halmahera has the second-highest poverty rate after East Halmahera.

Poverty around IWIP mining area was due to decline in farmer exchange rates, such as decline in copra prices,5 which was once a primary commodity. Changes in agricultural land—from being plantation for nutmeg, clove, chocolate, and coconut to being sold to private companies—have led to people losing jobs and income sources.

Since the start of mining exploitation, crops such as banana, sago, vegetables, and other plantation produce have to be outsourced and sold to local communities (Ichi, 2021). The loss of food sources due to mining activities in these communities has increased people's vulnerability.

Similarly, seaside and fisherfolk communities have experienced a decline in marine catches with a strong indication that it was due to water pollution. A 2022 study found that river water samples had high metal content (i.e., zinc and copper) that exceeded the quality standard. Greater attention was needed in the case of copper, lead, and zinc pollution in seawater samples.

Meanwhile, nitrate levels in ocean water samples were at par with the quality standard, meaning that mining activities and processes could exacerbate pollution beyond its limit. The contamination of cadmium, which is categorized as a heavy metal, in river water samples also called for more attention (Haya & Firman, 2022). High heavy metal contamination would have a severe effect on aquatic ecosystems.

Recommendations

1. Terminate any potential direct investment plan in the nickel industry in Indonesia because the ongoing practices from the nickel industry reveal potential widespread damage to both the environment and the communities in Indonesia.

2. Prohibit nickel sourced and produced in Indonesia in every business line of Tesla Inc. to prevent perpetuating the widespread damage to both the environment and communities in Indonesia.

3. Ensure the business lines of Tesla Inc. comply with fundamental principles of business implementation and human rights as provided by the United Nations to prevent the violation of human rights perpetrated in business operations.

4. Adopt a legally binding convention to hold transnational companies (TNCs) accountable for all infractions in their worldwide value and production chains.

[1] Prepared by WALHI and Wahyu A. Perdana
[2] Primary forest is natural forest that is still intact and has not been disturbed by human exploitation
[3] Wet tropical primary forest is defined as mature natural tropical wet forest that has not been completely cleared and has not been replaced by other types of land cover in the long term. Primary forest is then divided into two types: intact (natural) forest and non-intact (natural) forest.
[4] Tree cover can refer to trees in plantations as well as natural forests, and “tree cover loss” is the loss of the tree canopy due to humans or natural causes, including fire.

Editor's Note

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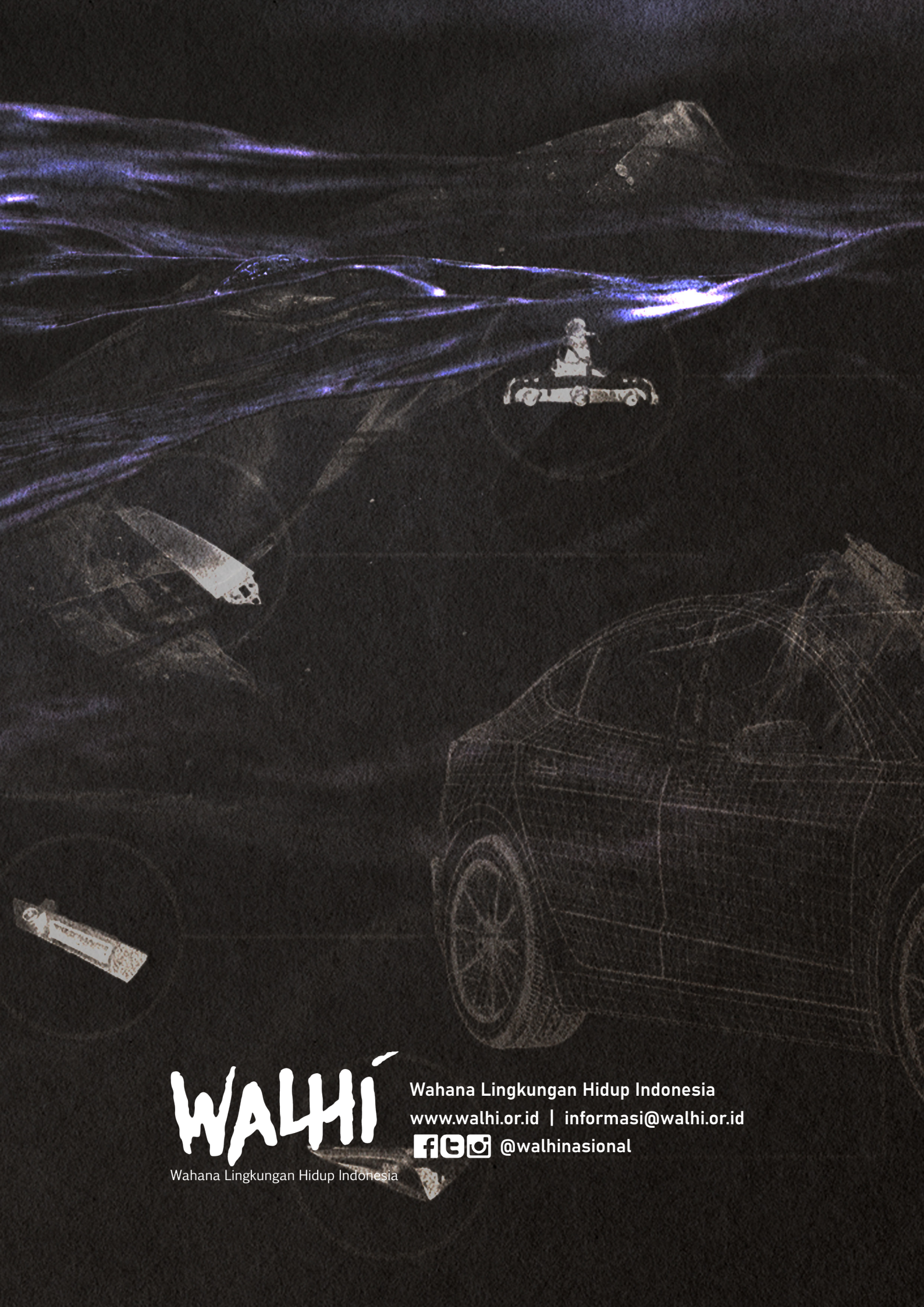

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