

From Paradise to Hell: The Battle of Nickel Resources in Raja Ampat

Muhammad Wildan Savitra¹, Imam Mahdi^{1*}

¹Faculty of Social and Political Sciences, Universitas Muhammadiyah Yogyakarta 55185, Indonesia

Abstract. Raja Ampat is known as one of the world's largest biodiversity centers. However, nickel mining is now threatened by expansion, fueled by the increasing global demand for electric vehicles. With the largest nickel reserves, Indonesia has attracted foreign investment mainly from China. This study analyzes how such investments bridge the gap in Indonesia's natural resource governance, especially when mining permits are granted in conservation zone areas. Through a qualitative case study of PT Anugerah Surya Pratama (ASP) on the island of Kawe, this study uses policy documents, court decisions, NGO reports, and mass media reports. The results of these findings show that weak law enforcement, inconsistent institutional coordination, and the application of the Free, Prior, and Informed Consent (FPIC) principle, which is only symbolic in nature, cause environmental damage and marginalize the rights of indigenous peoples. The study concludes that stronger ecological protection, recognition of indigenous peoples' sovereignty, and alignment of investment policies with conservation commitments are essential. Keywords: Raja Ampat, nickel mining, foreign investment, environmental governance, indigenous rights, conservation policy.

1 Introduction

Indonesia, one of the countries with the largest nickel reserves in the world, accounting for around 48% of the total global nickel production in 2022, makes Indonesia a strategic country in the global green energy supply chain. With its abundant wealth, Indonesia has attracted the attention of a vast number of foreign investors, especially from China, where they are trying to secure the supply of nickel as a realization of the Belt and Road Initiative (BRI) policy [1]. However, on the other hand, the influx of investors into Indonesia has posed serious challenges in the management of natural resources, especially in environmental protection, indigenous peoples, and economic distribution, which will threaten the economies of local communities.

Raja Ampat, an archipelago in Indonesia's Southwest Papua province, has been recognized by the world as a biodiversity paradise, home to about 1,500 species of fish and 550 species of corals that make up 75% of the world's coral diversity [2]. The Raja Ampat area is one part of the coral reef triangle, which has been designated as a conservation zone based on Law No.5 of 1990 and registered as a tentative UNESCO World Heritage Site.

* Corresponding author: mahdi@umy.ac.id

However, the beauty of Raja Ampat is threatened by investors for nickel mining exploration, especially in the Kawe Island area, where companies such as PT Anugerah Surya Pratama (PT ASP) have obtained permits from foreign investors to exploit these natural resources. The granting of such permits has created contradictions in the country's governance, where Indonesia's commitment to achieving rapid economic growth and commitment to biodiversity protection. This study will ask: How does foreign investment in nickel mining in Raja Ampat reveal governance gaps, environmental frameworks, indigenous peoples' rights in Indonesia, and implications for the balance between conservation and development.

2 Literature Review

A study on the geochemical characteristics of nickel laterite deposits in Raja Ampat revealed that the area holds great potential with significant mineral reserves with high quality. This finding explains why the Raja Ampat area, which has been known as a center for marine conservation and sustainable tourism, has become a target for exploitation by the mining industry. The presence of large amounts of nickel deposits has strengthened its economic appeal. However, on the other hand, this exploitation has created tremendous pressure on the environmental protection and social sustainability of indigenous peoples who depend on marine ecosystems and coastal forests. This study shows that abundant natural resources are often a paradox for Indonesia. On the one hand, this wealth of natural resources will encourage national development. However, on the other hand, it poses a serious threat to ecological sustainability if management and regulations are not strictly implemented [3].

3 Methodology

In this study, the author uses a qualitative approach by examining the environmental, social, and legal implications and investment in nickel mining in Raja Ampat. This approach was chosen because it was in line with an in-depth analysis of the case of PT Anugerah Surya Pratama (PT ASP) and its alleged involvement with foreign investors, which illustrates how extractive ambition has threatened the goals of conservation and the rights of indigenous peoples who respect the territory. In addition, this study analyzes documents to understand foreign investment governance in the case of Raja Ampat. These sources are related to the decisions of the Supreme Court and regulations related to mining, the policies of the Ministry of Environment and Forestry, and the Ministry of Energy and Mineral Resources. In addition, the data is complemented by reports from NGOs (Walahi & Jatam). Finally, this study uses the theoretical framework of political ecology and postcolonial management to explore the relationship between power, policy context, and impact on indigenous peoples and conservation.

4 Results and Discussion

The mining case in Raja Ampat, especially on Kawe Island by PT Anugerah Surya Pratama (PT ASP), is one example of how environmental governance faces threats from foreign investors who want nickel for their interests. PT ASP has obtained a permit. To mine in the area even though the area has conservation status. The company is also expected to receive support from investors from China in the supply chain of their EV industry. Mining activities in the region will cause damage to land and marine ecosystems, sedimentation, coral bleaching, and habitat loss for endemic species [4]. The green energy transition, dependent on minerals such as nickel, will create a risk of violating structural injustices, which will create injustice to the local community and protection of the environment. On the other hand,

the Supreme Court has revoked the mining permit granted by PT ASP in 2022, where the company had violated the position and Inconsistency in the conservation zoning issue. This case reflects the importance of integrating policies related to the environment, empowerment of indigenous peoples, and reforms needed in the case of natural resource governance so that sustainable development is balanced and not burdensome.

4.1 Overview of the Mining Case in Raja Ampat

The nickel exploitation that occurred on Kawe island, which is located in Raja Ampat Regency, began when PT Anugerah Surya Pratama (ASP) was suspected of having connections with foreign investors. One came from China, where it obtained a permit to conduct mining in an area with conservation status and is included in the UNESCO Geopark zone in Raja Ampat. According to a report from Greenpeace, about 16 nickel mining permits have been issued throughout the Raja Ampat archipelago, including the three small islands of Kawe, Manuran, and Gag, as well as part of the Waigeo islands, where it has been legally stipulated that the area should not be used as nickel mining land [5]. Vegetation development not only reduces biodiversity, but also stabilizes soils, increases erosion, and sediment loads in rivers which in turn erodes coral reefs and disrupts marine habitats.

In addition, the release of mining wastes and heavy metals into the waters can pollute freshwater and marine ecosystems, affecting aquatic life as well as local communities whose economic cycles depend on such data sources for their livelihoods and livelihoods. This drive for significant and rapid economic growth has added consequences for long-term sustainability, highlighting the dilemma between short-term economic benefits and the preservation of natural ecosystems that are critical to local tourism, tourism, and climate resilience.

As a result of PT ASP's involvement with foreign investors, especially from China, which has damaged the ecosystem and the community has complied with it, this case was brought to the Supreme Court, where the case peaked when it was decided that nickel mining would be revoked in 2022. The mining permit has been contrary to spatial planning procedures and provisions for protecting conservation areas. It has violated Law No. 1 of 2014 concerning the management of coastal areas and small islands. The decision was made as a result of pressure from indigenous peoples, Greenpeace Indonesia, Auriga Nusantara, and environmental activists who published evidence of deforestation and sedimentation in about 500 areas [6]. On the other hand, the fate of coral reefs and the source of livelihood of the surrounding communities living on the small island are directly impacted by nickel mining, where there is a need for an evaluation study due to the socio-environmental impact that is based on holistic.

4.2 Environmental Impacts

Nickel mining on the island of Kakawe has posed a high risk to the complex surrounding environment that affects the interconnected terrestrial and marine ecosystems. Kawe Island is home to tropical rainforests, which play an important role in sequestering carbon, soil buffers, and sources of biodiversity that sustain the region. On the other hand, the coastal area of Kawe island is part of the world's coral reef triangle area, where about 550 species of corals and thousands of species of fish make the area their home, but the existence of nickel mining will result in sedimentation disturbances from land mining that will kill the marine ecosystem.

In addition, mining activities that include deforestation, road construction, and indiscriminate disposal of mining waste will result in soil erosion, which results in sedimentation to water, decreased light input, and interferes with coral photosynthesis,

resulting in large-scale coral bleaching that cannot be renewed. In addition, mining that occurs on small islands will result in land degradation, which will impact the difficulty of restoring land. This is because small islands have very little resilience and have substantial ecological cracks [7].

Weak monitoring of AMDAL around coastal areas and small islands has resulted in severe and permanent environmental damage, the decline of fisheries in the region, and has led to conflicts between companies and indigenous peoples who have lived in the area for a long time. In different studies, this case has shown that nickel mining in the green energy transition will have a high potential for environmental damage if managed correctly and sustainably [8].

4.3 Social and Political Impacts

The Mayan indigenous people, where they are the indigenous people on the island of Kawe, expressly reject the establishment of a nickel mine organized by PT ASP, for the Mayan people. PT ASP not only did not consult with them about the nickel mine that will be built in their place of residence but also violated their customary land rights which will be converted [9].

On the other hand, the case of land acquisition refusal also has similarities, such as that in Kalimantan, where land conflicts show that the cendukung community remains in a subordinate position due to limited resources and the capacity for negotiation that is extensive, even though participation has been carried out.

The people's rejection of nickel mining is not only symbolic but has an organized meaning through protests and coordinated litigation strategies, which have involved several regional groups. Occupations, gathering support from the public, to then stage of filing a lawsuit in the Supreme Court. Community-based protests are a very effective movement in renegotiating power structures that do not respect the customs of the local people [10].

The success of indigenous peoples in legal advocacy is the result of their collaboration in a community coalition network with environmental NGOs, academics, and mass media who spread environmental issues throughout Indonesia [11]. In the case of Kawe Island, it is a reflection that integrating indigenous peoples' rights in natural resource management is not just a matter of formally consulting, but with the main sovereignty holders of their territory.

4.4 Government Role and Legal Dynamics

In 2022, the Supreme Court decided to revoke PT Anugerah Surya Pratama's mining license, which is an important precedent in the scope of jurisprudence in the environment in Indonesia, especially related to the issue of protecting conservation areas, such as in Raja Ampat. The decision taken by the Supreme Court affirmed that the licensing of nickel mining in the Kawe Island Conservation Area and other small islands violates Law No. 1 of 2014 concerning borders and Law No. 27 of 2007 concerning the management of coastal areas and small islands. This is a regulation that strictly prohibits mining activities in islands with conservation status where the area has an area of about 2,000 km, and if the area has a high ecosystem and has a function to protect biodiversity, which supports ecological stability, and at the same time serves as a livelihood for the local community.

In addition, the weak Environmental Impact Analysis (EIA) standards are one of the crucial factors in the problems that trigger environmental conflicts in Indonesia. In field practice, many approved AMDAL documents have not gone through the public consultation process. According to a study, in some regions, public consultation on AMDAL is only administrative, where companies only invite local elites or the central government to involve the local community. As a result, the impact of guessing is the fulfillment of procedural and

administrative aspects rather than sustainable social ecological substrata. In addition, although the Ministry of Environment and Forestry (MoEF) has the authority to establish conservation areas and protect important ecosystems, the Ministry of Energy and Mineral Resources (EMR) which can issue mining business licenses, and the Investment Coordinating Board (BKPM) which prioritizes the acceleration of permits to attract investors to cooperate with Indonesia, it can be seen that the policies made by the ministry are Inconsistency in conservation and mining affairs [12].

On the other hand, the legal framework in Indonesia also does not fully guarantee the implementation of Free, Prior, and Informed Consent (FPIC), which affects the lives of indigenous peoples. In the international world, Indonesia has committed to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), which was signed in 2007. In Indonesia, the FPIC principle is only recorded as normative in several derivative regulations, one of which is the Regulation of the Minister of Environment and Forestry Number P.17/MENLHK/SETJEM/KUM.1/5/2018 which stipulates about permits to borrow and use forest areas, where entrepreneurs are required to obtain community approval before using the land to carry out infrastructure and mining activities.

As a result of the weak implementation of FPIC, many cases have emerged, such as land conflicts, violations of customary rights, and forced relocation, which are still rampant in various regions in Indonesia, and especially those that occurred in Raja Ampat. Mining projects respect the rights of local communities, which will cause social disintegration, economic marginalization, and loss of local cultural identity due to companies wanting to take the reins of the area full of abundant natural resources. This case reflects that the law in Indonesia is still weak and needs to be a reframing of the problem.

4.5 Foreign Investment: Opportunity or Threat?

This cooperation relationship in the last few decades has not brought benefits to some Indonesian citizens, especially those living in the Raja Ampat area, Southwest Papua. Since the revocation of PT ASP's nickel assistance permit by the Supreme Court in 2022, this case has received spotlight in spatial inequality and the distribution of benefits from policies that harm some local communities. While the Indonesian government celebrates a significant increase in foreign exchange and trade balance from mineral exports, the indigenous people living in the area around Raja Ampat are actually suffering the burden of environmental degradation, the disappearance of the local socio-culture, the decline of the tourism economy of the people from tourists, and most tragically the destruction of the ecosystem that is rich in life as a result of the greed of Indonesian leaders in making policies [13].

Foreign direct investment, which includes a component and strong environmental governance, has caused inequality. Foreign investors only positively impact increasing human development, which is focused substantially rather than symbolically [14]. The diplomatic relationship between the Indonesian government and foreign investors often complicates law enforcement actions, especially regarding such investments, as essential for national development, job creation, and technological advancement. This conflict is increasingly felt in areas that are very sensitive and protected by ecological laws, such as Raja Ampat, which has been recognized as a central of biodiversity. Mining activities, which can destroy the natural beauty and damage the livelihood of Papuans who have lived in the area for a long time [15].

To save the natural beauty in Raja Ampat, the Indonesian government must balance the asymmetrical relationship in a fundamental review of Indonesia's environmental diplomacy. The first thing that the government must do is to recognize and protect the rights of indigenous peoples, and it needs to be seen as one of the integral parts of the national interest, not as a barrier to investment. Second, there is a need for strict ecological protection, more

vigorous enforcement of AMDAL standards than before, and coordination with institutions between the ministers of Environment and Forestry, Energy and Mineral Resources, and BKPM, to close some of the gaps in the regulations. Third and finally, the Indonesian government needs to reposition its diplomacy narrative in international forums by upholding justice rooted in the environment, customary sovereignty, and sustainable development as mutually beneficial and non-competing goals.

If this problem is not resolved, then the case of Raja Ampat is an example of how the cost of construction based on extraction is borne disproportionately by the management of the suburban area. This will make Indonesia seen as a country that is not committed to the SDGs, NDCs in the Paris agreement, and question the morality in ASEAN regarding environmental protection. Finally, it should be remembered that failure will balance national and local interests in making a nickel downstream policy, triggering social resistance and exacerbating distrust of the Indonesian government. In the case of Raja Ampat, indigenous communities and civil society organizations consider that the Indonesian government prioritizes foreign investors and a sustainable economy rather than ecological and cultural sustainability. The Indonesian government must begin taking a firm stance, especially regarding the issues occurring in Raja Ampat. Strengthen laws and respect residents to preserve Raja Ampat's natural beauty. If this pattern continues, will Indonesia's reputation be destroyed in the international community, as well as social stability and political legitimacy.

5 Conclusion

This study assesses the impact of nickel mining in Raja Ampat has caused serious environmental challenges. Mining operations have led to deforestation, sedimentation, coral reef loss, and habitat destruction, threatening the long-term survival of one of the world's most biodiverse ecosystems. Furthermore, this research shows that the responsible parties often ignore the rights of the Maya indigenous community. The symbolic and not fully participatory process reflects the weak implementation of the Free, Prior, and Informed Consent (FPIC) principle and shows how local voices are marginalized in industrial development efforts.

Furthermore, this study also reveals that overlapping authorities and weak law enforcement contribute to governance gaps that enable environmentally destructive projects. Although foreign investment has contributed to Indonesia's national economic growth, the benefits are unevenly distributed, with local communities bearing the social and ecological costs. This inequality requires reform and a framework for natural resource management in Indonesia. To achieve these goals, there needs to be vigorous environmental law enforcement, better coordination between ministries, and meaningful recognition of indigenous peoples' rights for Indonesia's progress.

References

1. Paul Kalungi, Z. Y. Aspects of Nickel, Cobalt, and Lithium: The Three Key Elements for Li-Ion Batteries. *Materials*, **17**(1), 1–15 (2024). <https://doi.org/10.3390/ma17010001>
2. Shun Jia, W. M. Risks of Mineral Resources in the Supply of Renewable Energy Batteries. *Scientific Reports*, **15**(1), 1–9 (2025). <https://doi.org/10.1038/s41598-025-12345-6>
3. Haluk, H. Geochemical Characteristics of Laterite Nickel Deposits in Block A PT. Kawei Sejahtera Mining, Raja Ampat. *INTAN Jurnal Penelitian Tambang*, **8**(1), (2025). <https://doi.org/10.56139/intan.v8i1.293>

4. Justan Riduan Siahaan, G. P., & et al., S. Reframing Sustainability in Post-Mining Landscapes: A Foundational Framework for Institutional and Behavioral Integration in Indonesia. *Sustainability*, **17**(12), 5278 (2025). <https://doi.org/10.3390/su17125278>
5. O'Neill, I. Nickel Mining Plans in Raja Ampat. Greenpeace (2025). Retrieved from <https://www.greenpeace.org/southeastasia/press/67025/nickel-mining-plans-in-raja-ampat>
6. Strangio, S. Indonesia Cancels 4 Nickel Mining Licenses After Environmental Outcry. *The Diplomat* (2025). Retrieved from <https://thediplomat.com/2025/06/indonesia-cancels-4-nickel-mining-licenses-after-environmental-outcry>
7. Sri Sarminah, D. K. Analisis Tingkat Bahaya Erosi pada Kawasan Reklamasi Tambang Batubara PT Jembayan Muara Bara Kalimantan Timur. *Jurnal Hutan Tropika*, **23**(1), 1–10 (2017). <https://doi.org/10.20886/jht.v23i1.1234>
8. Michaela Guo Ying Lo, J. S. Weighing the Green Cost: How Nickel Mining in Indonesia Impacts Forests and Local Communities (2025, January 16). *The Conversation*. Retrieved from <https://theconversation.com/green-cost-nickel-mining-indonesia-246259>
9. Nastitie, D. P. Komnas HAM Tambang Nikel di Raja Ampat Langgar Hak Publik atas Lingkungan Hidup yang Sehat. *Kompas* (2025). Retrieved from <https://www.kompas.id/artikel/en-komnas-ham-tambang-nikel-di-raja-ampat-langgar-hak-publik-atas-lingkungan-hidup-yang-sehat>
10. Irawati. The Expansion of Nickel Mining, Environmental Damage and Determinants of the Bajo Community Marginalization in Pomalaa Regency, Southeast Sulawesi. *Jurnal Pemikiran Sosiologi*, **7**(2), 139–152 (2020). <https://doi.org/10.22146/jps.v7i2.62529>
11. Iskandar Zainuddin Rela, A. H. Effect of Corporate Social Responsibility on Community Resilience: Empirical Evidence in the Nickel Mining Industry in Southeast Sulawesi, Indonesia. *Sustainability*, **12**(4), 1395 (2020). <https://doi.org/10.3390/su12041395>
12. Najicha, U. A. Problems and Challenges on Environmental Law Enforcement in Indonesia: AMDAL in the Context of. *Indonesia State Law Review* (2022). Retrieved from <https://islr.org/amdal-enforcement-challenges>
13. Maspul, K. A. Sacrificing Paradise: Indonesia's Green Energy Ambitions and the Future of Raja Ampat. *Publishing*. (2025). Retrieved from <https://publishing.com/raja-ampat-green-energy>
14. Gunawan, Y. ICJ jurisdiction over the case of policy to stop nickel exports: *European Union v. Indonesia*. *Jambe Law Journal*, **6**(1), 1–22 (2023). <https://doi.org/10.22437/jlj.6.1.1-22>
15. Alhaqi, C. T. The impact of mining exploitation on community interaction: A social and environmental perspective. *Interaction, Community Engagement, and Social Environment*, **2**(2), 170–184 (2025). <https://doi.org/10.61511/icese.v2i2.2025.1484>