

Press Release

Indonesian environmental groups file legal notice against government over Japan and Korean-backed coal fired power plant expansion in Cirebon, West Java

Key points:

- New environmental permit issued 17th July 2017 to power plant developer PT Cirebon Energy Prasarana (PT CEP) in lieu of a previous permit that was declared illegal by the Bandung Administrative Court. The Bandung Administrative declared the permit to be “legally defective” as it was found to be in violation with local spatial plan laws.
- Environmental groups found the new environmental permit to be in violation to the legal procedures and substance as dictated by Law 32/2009 on the Environmentⁱ. In particular, no remedies were made to the underlying assumptions.
- The new environmental permit was issued with a complete disregard to the principles of transparency, accountability and participatory decision making as no public consultations were held and was rushed to allow the illegal coal power plant construction and development to continue unabated.

Bandung, 14 November 2017 --- As JBIC and KEXIM prepare to disburse their first loans to the project, a new legal challenge has been issued against the Cirebon coal fired power plant expansion in West Java, Indonesia.

The Indonesian environmental group WALHI through its West Java chapter, together with Bandung Legal Aid and a number of community members and grassroots organization, submitted a legal notice today to the Head of the West Java Provincial government.

The notice expressed the group’s objection to an environmental permit issued to the developer of the Cirebon Coal Fired Power Plant to support the planned 1x1000 MW expansion. The permit was issued in lieu of a previous permit that was declared illegal by the Bandung Administrative Court in April 2017.

The letter was formally submitted by the Legal Advocacy Team for Climate Justice and was directed to the Head of the West Java Provincial office for Integrated Investment Serviceⁱⁱ, Dr.Ir.H. Dadang Mohamad, MSCE.

The new environmental permitⁱⁱⁱ was issued by the said office on the 17th July 2017 following a decision made on the 13th of July by the same office declaring the Cirebon coal power expansion to be environmentally sound^{iv}.

“We urge the West Java government to respond to our demands and revoke the new environmental permit, which has clearly violated an array of environmental regulations. In addition, no remedies or changes were made to the required legal basis of the permit. Therefore, it continues to be in violation to the local spatial and environmental laws,” said Syahri, lawyer from the Bandung Legal Aid and party to the legal notice.

The permit was issued in a process that was secretive sans public participation, which stands in clear violation to the Ministerial Regulation no. 17 year 2012 that mandates public participation in the environmental impact assessment and environmental permit process.

The expansion of the Cirebon coal fired power plant is run by PT Cirebon Energy Persada and is mainly backed by Japanese export credit agency JBIC. JBIC has previously acknowledged the legal problems embroiling the controversial project, after please by civil society to respect Indonesian laws.

JBIC has since sent their experts to evaluate the project and temporarily withheld loan disbursement, indicating they are well aware of the laws that this project is violating.

Another key funder of the project is Korean Export-Import Bank known as KEXIM. During a recent National Audit in South Korea, the president of KEXIM was questioned by the Strategy and Finance Committee about the risky investments in coal projects abroad^v.

“JBIC and KEXIM know about the court decision and yet still decide to disburse their loans. This is showing clear disrespect for Indonesian law,” said Dwi Sawung, WALHI campaign manager for energy and urban issues.

“The government is doing all they can to ensure the Cirebon coal power expansion continues. They are willing to close their eyes and ears to the legal violations to their own spatial laws, to the potential environmental damages that the expansion might cause and, most importantly, to the people’s objections to the new plant,”

The recipient of the legal notice has seven days to meet the demands of the legal notice. If demands are not met and no solutions are to be found, the team will be forced to take further legal steps.

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ⁱ Undang-Undang No. 32 Tahun 2009 tentang Perlindungan dan Pengelolaan Lingkungan Hidup

ⁱⁱ Kepala Dinas Penanaman Modal Pelayanan Terpadu Satu Pintu (DPMPTSP) Pemerintah Daerah Provinsi Jawa Barat

ⁱⁱⁱ Keputusan Kepala DPMPTSP Pemerintah Daerah Provinsi Jawa Barat Nomor : 660/08/19.1.05.0/DPMPTSP/2017 tentang Izin Lingkungan Kegiatan Pembangunan dan Operasional

Pembangkit Listrik Tenaga Uap Kapasitas 1 x 1000 MW Cirebon di Kecamatan Astanajapura dan Kecamatan Mundu Daerah Kabupaten Cirebon oleh PT. Cirebon Energi Prasarana tertanggal 17 Juli 2017

^{iv} Keputusan Kepala DPMPTSP Pemerintah Daerah Provinsi Jawa Barat Nomor : 660/07/19.1.05.0 /DPMPTSP/ 2017 tentang Kelayakan Lingkungan Hidup Kegiatan Pembangunan dan Operasional Pembangkit Listrik Tenaga Uap Kapasitas 1 x 1000 MW Cirebon di Kecamatan Astanajapura dan Kecamatan Mundu Daerah Kabupaten Cirebon oleh PT. Cirebon Energi Prasarana

^v <https://www.nrdc.org/experts/han-chen/too-coal-hearted-japan-and-koreas-support-dirty-energy>