

An Analysis of the Impact of the Implementation of a Policy Delegating Mineral and Coal Mining Business Permits in North Halmahera Regency

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ABSTRACT

This study analyzes the impact of implementing a policy of delegating mineral and coal mining business permits in North Halmahera Regency, aimed at improving the efficiency of the permitting process at the local level. The research focuses on how five key factors in George C. Edward III's Policy Implementation Model communication, resources, disposition of implementers, bureaucratic structure, and external environmental factors influence the success of implementing this policy in the region. The results show that effective communication between the central and local governments is crucial to aligning policy processes. However, disrupted or unstructured communication often leads to miscommunication that hinders policy implementation in the field. This study highlights the need for improvements in communication, strengthening of resources, a more efficient bureaucratic structure, and increased community involvement to achieve the desired goals and fairness in the implementation of mining permit policies. These conclusions provide guidance for policymakers to design a more inclusive and responsive framework for local conditions, enabling sustainable mining in North Halmahera.

INTRODUCTION

The mining sector has long been a primary component of economic development in resource-rich countries, including Indonesia. This industry contributes significantly to both national and local economies by generating revenue, creating employment, and supporting infrastructure development. However, alongside these benefits, the mining industry also poses serious challenges, particularly in terms of environmental degradation and social conflicts. Studies on mining in Indonesia, especially in regions like Halmahera, reveal that such expansive activities have led to deforestation, soil degradation, water pollution, and escalating tensions between companies and local communities who rely on these natural resources for their livelihoods (Melky, 2023; Walhi, 2023). These consequences highlight the need for more sustainable mining practices that align with the United Nations Sustainable Development Goals (SDGs), specifically those addressing poverty alleviation (SDG 1), health and well-being (SDG 3), clean water and sanitation (SDG 6), and economic growth with decent work (SDG 8).

Historically, the Indonesian government has attempted to address these issues through policy adjustments, including the delegation of business licensing authority to local governments within a decentralization framework. This delegation of authority is intended to facilitate a more efficient regulatory process by enabling local governments to issue permits and monitor mining activities within their jurisdictions. However, as observed in North Halmahera Regency, the implementation of this delegation policy faces several challenges. The effectiveness of the policy in regulating mining operations, maintaining environmental standards, and ensuring social justice has been questioned due to ongoing land conflicts, environmental degradation, and allegations of corruption in the licensing process (Transparency International, 2022; KPK Indonesia, 2023).

The primary issue in the implementation of mining license delegation in North Halmahera lies in balancing economic interests with environmental sustainability and social justice. On one hand, the mining sector promises economic benefits for the region, but it also brings environmental damage and social conflicts. For instance, extensive nickel mining operations in the area have led to deforestation and pollution, endangering biodiversity and public health (Walhi, 2023). Furthermore, alleged corruption in the issuance of mining permits undermines public trust in the regulatory framework, complicating efforts to ensure that mining operations are conducted responsibly and fairly (KPK Indonesia, 2023). Addressing these challenges requires a policy framework that not only supports economic growth but also incorporates stringent environmental standards and transparent governance mechanisms to prevent abuse of authority in the licensing process.

Research on environmental governance in the context of decentralization indicates that effectively implementing delegated licensing policies in the mining sector requires close collaboration between central and local governments, along with robust oversight mechanisms. Studies conducted by Huda (2022) and Arifin (2023) suggest that local governments must be

equipped with adequate resources and expertise to enforce environmental regulations effectively. Additionally, participatory governance models, which involve local communities in decision-making processes, have proven to enhance transparency and reduce conflicts in natural resource management. By engaging local stakeholders, authorities can ensure that mining practices align with the socioeconomic and environmental interests of the community, thereby increasing public trust and compliance with regulations.

Recent studies have explored similar cases in Indonesia, focusing on the dynamics between licensing delegation and sustainable mining practices. For example, Simanjuntak's (2021) research on coal mining in Kalimantan underscores the importance of a clear regulatory framework to prevent land-use overlaps and conflicts. Additionally, research on mining in Papua by Setiawan (2022) highlights the need for stronger anti-corruption measures to ensure that mining permits are issued based on adherence to environmental standards rather than financial incentives. However, there remains a gap in the literature specifically addressing the delegation of mining licenses in Halmahera, particularly regarding how local conditions—such as the predominance of farming communities and regional reliance on traditional land use—impact the implementation and outcomes of the licensing delegation policy. This study seeks to fill this gap by focusing on the specific socio-environmental challenges faced in North Halmahera.

The objective of this research is to analyze the implementation of business license delegation for mineral and coal mining in North Halmahera Regency, with a focus on identifying the challenges and factors that influence policy outcomes in this specific context. By examining how the policy interacts with local environmental and social factors, this study aims to provide insights into how license delegation can be improved to promote sustainable practices in mining.

LITERATURE REVIEW

Sustainable and Fair Mining This research contributes to the existing body of knowledge by offering a case-specific analysis that highlights the unique challenges in implementing decentralized mining policies across Indonesia's diverse regional landscapes. It emphasizes the necessity of policies that integrate environmental, social, and governance principles within the mining sector.

George C. Edward III's policy implementation model is a valuable approach for analyzing and understanding policy implementation challenges, especially in the context of mining license delegation in Indonesia. This model emphasizes five key factors that influence the effectiveness of policy implementation: communication, resources, disposition (or implementers' attitudes), bureaucratic structure, and external environmental factors. Each of these factors plays a significant role in ensuring that policies function as intended, particularly in a complex decentralized environment like North Halmahera. In the context of mining license decentralization, Edward III's theory can help identify potential obstacles and offer guidance for optimizing the implementation process.

Communication

Communication in policy implementation involves how the processes, objectives, and procedures of a policy are conveyed to policy implementers on the ground. Edward III emphasizes that clear, consistent, and well-coordinated communication is essential to ensure that implementers at all levels fully understand what is expected from the policy. In the case of mining license delegation in Indonesia, communication between central and local governments is crucial. Mining license delegation involves complex arrangements, including environmental regulations and community involvement. Failures in communication between central and regional levels can lead to misinterpretations of policy objectives or technical procedures, resulting in inconsistencies in implementation. When communication is hindered by bureaucratic red tape or limited technological capacity, the effectiveness of the policy can be at risk.

Resources

The resource factor encompasses not only available funds but also human resources, technology, and infrastructure that support policy implementation. Edward III highlights that without adequate resources, achieving optimal policy implementation becomes challenging. In the context of mining licensing, required resources include sufficient budgets for environmental monitoring, technically skilled personnel, and technology to ensure compliance with issued licenses. The availability of these resources is essential to monitor mining companies and ensure they adhere to environmental standards and applicable regulations. For example, in North Halmahera Regency, limited budgets and expert staff for mining oversight can present a significant obstacle for the local government to ensure that mining companies operate according to granted licenses. With the necessary resources, local governments can more effectively oversee mining activities, detect violations early, and conduct accurate verifications.

Disposition or Attitude of Implementers

The disposition or attitude of policy implementers is another important factor in Edward III's model. This attitude pertains to the perceptions, motivation, and commitment of the implementers toward the policy being implemented. Implementers who understand and believe in the policy's objectives are more likely to be proactive in its implementation. In the mining sector, a positive attitude from responsible officials can make them more enthusiastic about enforcing regulations and responding quickly to violations. However, if officials hold a negative perception of the policy or believe it to be unrealistic, they may lack enthusiasm and might even act half-heartedly in its implementation. For mining license delegation, it is essential that local government officials understand and support the policy's objective, namely, to ensure sustainable and fair mining operations.

Bureaucratic Structure

An efficient bureaucratic structure facilitates smoother policy implementation, while a complex bureaucracy often slows down the process. A complex bureaucratic structure can impede policy implementation, particularly concerning approval and oversight. In mining license delegation, many decisions still require approvals from various government levels, which lengthens the bureaucratic chain. Edward III emphasizes that an overly complex bureaucratic structure can cause overlapping functions and authorities, leading to inefficiency. In the decentralized context of North Halmahera, an efficient bureaucratic structure is critical to ensure that mining licensing and environmental oversight proceed without obstacles arising from authority conflicts or administrative delays.

External Environmental Factors

External environmental factors encompass all elements beyond the direct control of policy implementers but still influence policy implementation. This can include political dynamics, socio-economic conditions, and support from external stakeholders such as NGOs and the public. In the mining sector, external factors like pressure from environmental groups and local communities significantly affect the success of policy implementation. In North Halmahera Regency, for instance, communities that rely on land for agriculture may hold negative perceptions of environmentally damaging mining activities. This external pressure can shape how policies are enforced and the government's response in upholding regulations.

Reason for Using Edward III's Theory

The Edward III implementation model is highly relevant for this research because it provides a holistic framework for analyzing the challenges emerging in implementing mining license delegation policies. This theory not only helps understand internal factors that hinder policy execution but also highlights the importance of external influences, such as public response and political pressures. In the context of mining licensing, the factors identified by Edward III are especially critical because the policy requires robust involvement between central and local governments, amidst limited resources and responsive bureaucratic support.

METHODOLOGY

The qualitative research method is an effective approach for deeply understanding social phenomena and the context of policy implementation, particularly for research focusing on mining license delegation in North Halmahera. This method allows for a more detailed exploration of the perceptions, experiences, and interactions between various actors involved in the policy implementation process. Below are the qualitative research methods to be used in this study.

Research Approach and Design

This study will use a case study approach, suitable for exploring the processes and challenges of specific policy implementation in a particular location, namely North Halmahera. According to Yin (2018), case studies are effective for investigating the complexity of policies involving multiple actors with different interests. This research will comprehensively examine how mining license delegation policies are implemented in this area, focusing on communication between central and local levels, available resources, bureaucratic structure, and public response.

Data Sources and Data Collection Techniques

The data used in this research consist of both primary and secondary data. Primary data will be collected through in-depth interviews and field observations. Interviews will be conducted with stakeholders involved, including local government officials responsible for licensing, local community members, and representatives from mining companies. These interviews aim to uncover their experiences and views regarding licensing policies and the challenges encountered in their implementation. Field observations will be carried out to obtain direct insights into the licensing administrative process and the impact of mining paths on the surrounding environment and communities.

Additionally, secondary data will be gathered from official documents, such as relevant legislation, annual reports from local governments, NGO reports, and relevant mass media sources. Document analysis is essential to complement interviews and provide historical and policy context in the analysis.

Data Analysis Technique

Data analysis in this qualitative research will be conducted through thematic analysis, allowing the researcher to identify key themes from the collected data (Braun & Clarke, 2006). The first step involves transcribing interview data and recording observation results. This data will be coded to uncover specific patterns related to key aspects of the Edward III model, such as communication, resources, disposition, bureaucratic structure, and external environmental factors. Each emerging theme will be analyzed in depth to understand how these factors influence the effectiveness of policy implementation.

Validity and Reliability

To enhance data validity, this research will use source triangulation, combining data from interviews, observations, and documents to ensure the consistency of the information obtained (Creswell, 2014). Validity will also be maintained through member checking, where interview results will be reconfirmed with respondents to ensure the accuracy of the researcher's interpretation. Data reliability is achieved by following consistent and detailed data collection procedures.

Reason for Choosing Qualitative Method

Qualitative methods were chosen because this approach allows for an in-depth exploration of the experiences and subjective views of the actors involved in policy implementation, which may not be measurable by quantitative methods. Additionally, the local context, socio-political dynamics, and specific issues related to mining permits in North Halmahera require a comprehensive understanding of non-quantitative aspects such as perceptions, administrative constraints, and implementation challenges in the field. With this qualitative method, the research aims to produce an in-depth understanding of the factors affecting the effectiveness of implementing the delegation policy for mining business licenses in North Halmahera and to provide recommendations for improving the policy process in the future.

RESEARCH RESULT AND DISCUSSION

Below are the answers to the research problem questions, which utilize George C. Edward III's Policy Implementation Model to analyze the delegation of mineral and coal mining business licenses in North Halmahera Regency. This model focuses on five key factors communication, resources, disposition, bureaucratic structure, and external environmental factors each contributing significantly to the effectiveness of policy implementation within a complex context.

1. What is the role of communication in implementing the delegated mining business license policy in North Halmahera Regency? Communication is a crucial element in ensuring the smooth operation of mining licensing policies, especially given the complex roles between central and local governments. According to Edward III's model, effective communication means that policy instructions, goals, and procedures must be clearly conveyed to field implementers. In North Halmahera, communication constraints, such as varying interpretations or limitations in transmitting information from the center to the regions, can lead to errors in policy implementation. For example, if the local government does not receive adequate information from the center on environmental regulations that mining companies must comply with, field monitoring may not be optimal. Therefore, this communication factor will be a focal point in understanding how policy information and instructions are translated at the local level.
2. Do the available resources support the effective implementation of the delegated mining license policy in North Halmahera Regency? Resources in the context of policy implementation include budgets, workforce, technology, and infrastructure supporting policy implementation. Edward III emphasizes that adequate resources are essential to ensure that policy implementation proceeds as planned. This study will examine whether the resources possessed by the local government in North Halmahera, such as budget and competent personnel for mining supervision, are sufficient. For instance, if mining supervision requires environmental monitoring technology but the local

government lacks the budget or equipment, the effectiveness of monitoring will decrease. Resource limitations also affect the region's ability to address environmental violations or conflicts with the surrounding community.

3. How do the dispositions or attitudes of policy implementers influence the implementation of delegated licensing in North Halmahera? The disposition or attitude of policy implementers is an important factor in Edward III's model, reflecting their commitment and perception toward the policies to be implemented. In North Halmahera, the attitudes of officials and staff involved in the licensing process will determine the seriousness with which they execute the policy. If the implementers hold positive attitudes and support the policy's objectives of ensuring sustainable and fair mining practices, they will be more proactive in conducting monitoring and reporting violations. Conversely, if there is dissatisfaction or indifference toward the policy, they may tend to be less thorough or even neglectful in enforcing regulations. This analysis is crucial to understanding cultural and psychological barriers to the implementation of mining licensing policies in this region.

4. Does the existing bureaucratic structure in North Halmahera Regency support or hinder the implementation of the delegated mining license policy?

Bureaucratic structure is an element that affects the speed and efficiency of the policy implementation process. Edward III's model identifies that a complex bureaucratic structure can delay policy implementation, especially if there are many administrative stages that must be followed. In the case of North Halmahera, the delegation of mining licenses may involve multiple parties, including environmental agencies, local government, and community representatives. If the bureaucratic structure is too complicated, the licensing process can become slow and inefficient, ultimately impeding responses to environmental and social issues arising from mining operations. This study will analyze the extent to which the existing bureaucratic structure in North Halmahera affects the implementation process, including obstacles arising from unclear or overlapping functions among agencies.

How Do External Environmental Factors Influence the Implementation of the Delegated Mining Business License Policy in North Halmahera Regency?

External environmental factors include social, political, and economic dynamics beyond the direct control of policy implementers but impact the policy's successful implementation. In North Halmahera, pressure from the local community affected by mining activities, as well as pressure from environmental groups, can influence the success of the licensing policy implementation. If the local community or environmental groups oppose the presence of mines due to their detrimental impact, policy implementers may

face additional challenges in carrying out their duties. Furthermore, political instability or changes in national mining policy can impact local regulations. This study will examine how these external factors, including community responses and policy changes, affect the delegation process of licenses and the implementation of mining policies in North Halmahera.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

The conclusion of the analysis of the implementation of the delegated mineral and coal mining business license policy in North Halmahera Regency indicates that the success of this policy's implementation is highly influenced by five main factors in George C. Edward III's Policy Implementation Model: communication, resources, implementer disposition, bureaucratic structure, and external environmental factors. Each of these factors has its own challenges and opportunities that impact the effectiveness of policy implementation in the field.

First, communication between the central and local governments is an essential aspect that affects policy clarity and local implementers' understanding. In North Halmahera, misalignment in information transmission from the center to the regions often hampers efforts to ensure policy implementation according to the desired standards. Ineffective communication can lead to misunderstandings or different interpretations, especially related to procedures and regulations that mining companies must comply with. Therefore, improved cross-level government communication is needed to create more consistent and effective policy implementation.

Second, available resources, including budget, workforce, and technology, play a major role in implementing mining licensing policies. The study shows that resource limitations at the local level, such as the lack of funding for environmental monitoring and protected labor for mine management, pose significant challenges in ensuring mining companies comply with issued licenses. In North Halmahera, this lack of resources leads to less optimal monitoring of the environmental and social impacts of mining activities, thereby increasing the risk of environmental damage and conflicts with local communities.

Third, the disposition or attitude of policy implementers plays a critical role in determining how earnestly the policy can be enforced. A positive attitude and a good understanding of the policy will increase the motivation of implementers to enforce regulations. However, if there is dissatisfaction or doubt about the policy, its implementation may be hampered. In the context of mining licenses in North Halmahera, the support of implementers who are committed to environmental protection and community welfare is essential to prevent practices that harm the environment and society.

Fourth, ensuring an efficient bureaucratic structure is crucial for a smooth delegation policy. A highly complex bureaucratic structure can delay licensing and monitoring processes due to the numerous administrative steps and approvals required. This condition can create administrative obstacles that hinder rapid responses to emerging issues. In North Halmahera, simplifying

the bureaucratic structure and providing a clear division of roles among agencies can enhance policy implementation effectiveness.

Finally, external environmental factors, including pressure from the local community and environmental groups, significantly affect the success of policy implementation. In regions that rely on natural resources, like North Halmahera, community support is a key aspect of policy acceptance. Pressure from communities directly impacted by mining activities and from environmental groups can influence how this policy is received and implemented. Therefore, policies involving active community participation and considering social and environmental interests will be more readily accepted and implemented sustainably.

Overall, this analysis reveals that the implementation of the mining license delegation policy in North Halmahera Regency still faces various challenges. To achieve successful implementation, improvements are needed in aspects of communication, resource strengthening, support for implementers, bureaucratic efficiency, and community involvement. An integrative and mutually beneficial approach will promote the achievement of a fair and sustainable licensing policy.

Recommendation

Based on the analysis of the implementation of the delegated mining business license policy in North Halmahera Regency, several recommendations can be considered for further research:

1. **Development of a Communication Model Between Central and Local Government**
Considering that communication is a key factor affecting the success of policy implementation, further research could focus on developing a more effective communication model between the central and local governments. This model could include structured communication mechanisms to ensure that processes and regulations are clearly understood by each level of implementers.
2. **Study of Resource Sufficiency and Management in the Regions**
This study found that resource limitations are a significant barrier. Further research could examine the availability of resources in the regions, including budget allocation, technology, and the capacity of human resources capable of monitoring mining activities. The results of this research could help design more targeted resource allocation policies.
3. **Enhancing Readiness and Disposition of Policy Implementers**
Given that the attitudes and motivations of implementers significantly influence policy effectiveness, further research could focus on factors affecting the disposition of implementers. This could include training programs, socialization, or outreach regarding the importance of sustainable mining policies to enhance implementers' commitment and understanding of policy objectives.

4. **Analysis of Bureaucratic Structure for Efficient Policy Implementation**
The complexity of authority is a constraint in policy implementation. Further research could examine the existing bureaucratic structure and identify potential simplifications of administrative procedures to enhance efficiency. This study could involve analyzing the ideal licensing process and how inter-agency roles can be organized more efficiently.
5. **Participatory Approaches in Managing Social and Environmental Impacts**
Involving the community and environmental groups in decision-making can enhance policy acceptance. Further research could explore participatory approaches that can be applied in North Halmahera, such as community feedback mechanisms in mining oversight and their involvement in managing environmental impacts.
6. **Evaluation of Delegation Policies in Other Regional Contexts**
To enhance understanding of mining business license delegation, this study could discuss other regional contexts in Indonesia with different socio-economic characteristics and environmental challenges. Thus, further research could provide a more comprehensive picture of how local contexts influence the implementation of mining license delegation policies.

These recommendations are expected to provide guidance for subsequent research aimed at strengthening mining license delegation policies and maximizing their impact in creating sustainable and equitable mining practices for local communities and the environment.

ADVANCED RESEARCH

This study on the implementation of the delegated mining business license policy in North Halmahera Regency is limited by its focus on a single regional context, which may not fully capture the diverse challenges and practices in other regions with varying socio-economic and environmental conditions. Additionally, the analysis relies heavily on secondary data and existing frameworks, potentially overlooking nuanced local dynamics and stakeholders' perspectives. Future research could address these limitations by conducting comparative studies across different regions in Indonesia to identify broader patterns and context-specific challenges. Moreover, in-depth qualitative research, such as interviews and participatory observations, could provide richer insights into the motivations, perceptions, and challenges faced by policy implementers and local communities. Investigating innovative communication strategies, resource management solutions, and participatory approaches could further enhance understanding and contribute to more effective and inclusive policy implementation strategies.

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