Media Briefing: July 2013

Apple Inc and Tin Mining on Bangka Island

A full report of Friends of the Earth’s investigation 'Mining for Smartphones: the True Cost of Tin' can be found at http://www.foe.co.uk/resource/reports/tin_mining.pdf.

Photographic evidence of damage to Bangka island can be seen at: http://www.foe.co.uk/what_we_do/make_it_better_gallery_37822.html

Three short films made in Indonesia show the damage caused by tin mining: http://www.youtube.com/playlist?list=PLBg4Y5CtDgq40RI7eKfSHeKcLk5d6vd97

What’s the issue?

1. This briefing summarises the evidence about tin mining on Bangka and Belitung islands and the involvement of Apple Inc in sourcing the tin it uses in its mobile phones and other products from the Indonesian province.

2. There are more than 5.6 billion mobile phones in the world, and the number is still growing fast. All electronic gadgets contain tin-rich solder, an alloy of around 95% tin mixed with one or two other metals, to hold together resistors, transistors and circuit boards. Mobile phones commonly have about 2g of tin in them. The average tablet/Apple iPad weighs about 650g and contains 1.3g of tin-rich solder. 1

3. Almost half of all mined tin is turned into solder for the electronics industry. Indonesia is the biggest exporter of tin in the world. Around 90% of all Indonesian tin, and therefore around a third of the world’s tin, comes from the Indonesian province made up of the islands of Bangka, East of Sumatra, and Belitung to the south. 2

What’s happening on Bangka and Belitung Islands?

4. Bangka island is about the size of Yorkshire and has a population of about a million. A further 200,000 people live on neighbouring island Belitung. More than half the islanders depend for their living on agriculture, fishing and tin mining. Tin mining has led to recent sharp increases in the local population.

5. In 2009, the Indonesian Government introduced a new national mining law, covering minerals and coals, which allowed most of its territory to be opened to mining, including protected forest and the sea. Although mining cannot take place in National Parks and in places designated as non-mining zones under local planning rules, Bangka has no current relevant local regulations, which means that controls on mining operations are weak. 3

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2 Business Week, 23rd August 2012, “The Deadly Tin Inside Your iPad”
3 Information provided by Friends of the Earth Indonesia (WALHI)
6. Tin mining at the islands takes place both on land and just off the coast. Known environmental and social effects include:

- Dangerous working conditions including injuries and deaths from pit collapses
- Reports of child labour in the informal mining sector are common
- Suspected link to malaria, according to Dr Hendry Jan of the local Intan Medika Clinic “ex-mining holes are breeding grounds for mosquitoes. The incidence of malaria is now up to 29.3 per 1,000 people”
- Poor soil fertility in areas that have been mined and not restored
- Drastic alteration of the landscape, with little or no restoration when mines close
- Fish, crab and shrimp stocks and catches have fallen
- Sea mining by large mechanical dredgers leading to water pollution from “tailings”
- Consequent loss of coral, sea grass and mangroves. According to marine scientists from the University of Bangka Belitung, up to 70% of local coral reef is now dead
- Endangered species including turtles, giant clams and Napoleon fish are seriously threatened through loss of nesting sites and food.

7. According to Ratno Budi, of Friends of the Earth Indonesia (Walhi): “the problems tin mining is causing on Bangka make life so much harder. It is difficult to find clean water or grow vegetables and the coral reefs are being killed. Many of the miners risk their lives at sea and digging in the pits.”

Who Uses Bangka Tin?

8. Friends of the Earth has established that both the Samsung and Foxconn companies supply Apple, and that they in turn are supplied by the PT Timah, Shenmao and Ceran companies, all of which use tin from Bangka.

9. PT Timah offers a good example of how the tin supply chain works in practice. The company is the world’s 3rd biggest tin smelter. It produced 38,132 metric tons of refined tin in 2011, with more of 95% of which were exported worldwide, holding a global market share of 11%. The company is based on Bangka. It has tin mining rights for 513,000 hectares, with a total of 117 mining license both onshore and offshore.

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4 Interviews with tin miners, quoted in FOE report “Mining for smartphones: the true cost of tin”
5 ibid
6 Also Risk Factors relating to the incidence of Malaria at a Tin Mining Region in Central Bangka Regency of Bangka Belitung Province, Sujari (2008), Masters thesis, http://eprints.undip.ac.id/8821
8 ibid
9 Policy Analysis of Ocean Economics Development in Bangka Belitung Archipelagic Province: KASTANA SAPANLI 2009
10 ibid
11 Interview with Indra Ambalika, team leader for the Coral Reef Exploration, Univerisyt of Bangka Belitung
12 ibid
https://www.itri.co.uk/index.php?option=com_zoo&task=item&item_id=2361&Itemid=143
14 PT Timah annual report 2011 ‘Go Offshore. Go Deeper’
The company says that 95% of its refined tin is exported. Main importing countries in Asia are Japan, Korea, China, and Singapore. In Europe, its tin is exported to the UK, Netherlands, France, Spain, and Italy. In the America, US and Canada are top destinations.15

10. The chart below gives details of PT Timah’s supply chain, according to information provided by the company’s commercial director to Reuters in October 2011.16

<table>
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<tr>
<th>Company</th>
<th>Manufacturer of</th>
<th>Supplied by PT Timah via</th>
<th>Link to smartphones</th>
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</table>
| 1. Samsung  | Mobile phones, TVs, DVD players, Home theatre systems, tablets, laptops, media players, SD cards, PCs, printers and various home appliances (such as fridges and washing machines)17 | Apparently directly as the company’s is “a big customer”18 | Samsung manufactures its own smartphones in Korea19: A current range of 46 different handsets available in the UK market, including the global leader in sales Samsung Galaxy S3 2021 Samsung confirms the Galaxy S3 has tin solder in it.22
| 2. Apple (via Samsung) |                                                                                |                                                | **Apple**: Samsung supplies micro-processors, flat screens and memory chips to Apple’s iPod, iPad and iPhone23. Chips and microprocessors contain tin wire and tin (lead free solder).24 |

11. In April 2013, Samsung Electronics publicly admitted for the first time that it uses tin from Bangka and Belitung’s mines, following pressure from Friends of the Earth and more than 15,000 individuals who asked the company for information on its supply chain.25

15 http://www.timah.com/eng/pemasaran-distribusi/
19 http://www.extremetech.com/computing/129561-how-many-people-does-it-take-to-make-9-million-samsung-galaxy-s3-smartphones
22 Personal communications, Samsung UK customer services.
23 http://articles.timesofindia.indiatimes.com/2012-09-07/hardware/33676161_1_dram-apple-and-samsung-galaxy-s-iii
25 http://www.foe.co.uk/news/samsung_admits_tin.html
12. In response to Friends of the Earth’s November 2012 report Apple initiated confidential discussions with other electronics companies with the result that the Electronics Industry Citizenship Coalition (EICC) and Dutch Government development agency The Sustainable Trade Initiative (IDH) set up a working group on tin mining on Bangka and neighbouring islands. Since their inception in March 2013, Friends of the Earth has attended working group meetings, whose proceedings are confidential.26

13. However, Apple, unlike Samsung and Dutch electronics giant Philips, which has responded to pressure from Dutch Friends of the Earth sister group Milieudefensie, is still refusing to give a straight and public answer to the question of whether it sources tin from Bangka island, and what it intends to do to help reduce the damage that tin mining does to the island and its community.

14. Friends of the Earth argues that without a clear public answer about its tin sourcing, and with the EICC-IDH process (though welcomed by Friends of the Earth and potentially useful for the people and environment of Bangka-Belitung) opaque and unaccountable, Apple must follow the lead of Samsung and Philips. Doing so would demonstrate a more dependable commitment to Bangka-Belitung’s people and environment, show honesty to customers about the sourcing of the materials used in their products and match Apple’s own recent rhetoric on the importance of supply chain transparency27.

**Apple Won’t Come Clean With Its Customers**

15. On Friday 28th June 2013, FOE Policy and Campaigns Director wrote to Apple Chief Executive Officer Tim Cook pointing out that: “Companies who source their tin from Bangka therefore have a special responsibility to act to ensure that mining practices on the island are changed to deal with these problems... Friends of the Earth also believes that companies have a responsibility to be honest with their customers about how they source the materials used in their products, and about what they are doing to ensure that their supply chains are subject to high social and environmental standards...

*We have therefore been disappointed that Apple Inc has continued its apparent policy of refusing to make public comments about whether it does indeed source tin from Bangka Island... As a campaign group we will be publishing further information on the consumer electronics supply chain in the near future, and calling on our supporters to continue to press Apple for a clear public statement about its past policy and future intentions...*

*The next stage of our campaign will also involve using the wider international network of more than 70 national Friends of the Earth groups, the largest grassroots environmental justice network in the world, to draw public attention to the issue in as many countries as possible*.  

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26 The Electronic Industry Citizenship Coalition is a voluntary coalition of the world’s leading electronics companies working together to improve efficiency and social, ethical, and environmental responsibility in the global supply chain: [http://www.eicc.info/](http://www.eicc.info/) The Bangka Tin Working Group had its first meeting in 2013
27 See Tim Cook Business Week interview [http://www.businessweek.com/articles/2012-12-06/tim-cooks-freshman-year-the-apple-ceo-speaks#p1](http://www.businessweek.com/articles/2012-12-06/tim-cooks-freshman-year-the-apple-ceo-speaks#p1)
16. The news of the environmental damage caused by mining of the tin in Apple products comes as the company already faces growing public pressure over its sophisticated tax avoidance schemes in the UK. For example, it has been reported that the company paid no UK corporation tax in 2012, despite all of its British subsidiaries posting multi-million pound profits.  

28 Apple would be covered by the European Commission’s proposed Directive on Non-Financial Reporting, discussed in paragraph 18 below.

17. Friends of the Earth activists will target selected UK Apple stores on Saturday 6 July, to help inform the public about the environmental and social problems on Bangka and Belitung islands.

**Rules on Non-Financial Reporting**

18. Friends of the Earth believes that the Bangka story shows the need for strict rules requiring companies to report on their non-financial impact, including environmental and social problems in their supply chains. Friends of the Earth’s Make It Better campaign is calling for a stronger version of the European Commission’s proposed Directive on Non-Financial Reporting, which the Commission intends should “enhance the transparency of large companies on social and environmental matters”.

19. Commentators have suggested that Apple is running a serious risk with its corporate reputation – it depends on a cool and sophisticated product image, selling to educated consumers with high disposable incomes who are likely to care about whether companies they buy from take responsibility for the environmental and social problems in their supply chains.

**Meanwhile ...**

20. Apple is running a series of national newspaper advertisements headlined “designed by Apple in California”. Talking about Apple products, the copy says: “… Who will this help? Will it make life better? Does this deserve to exist? If you’re busy making everything, how can you perfect anything? We spend a lot of time on a few great things. Until every idea we touch enhances each life it touches. We’re engineers, craftsmen and inventors. We sign our work. This is our signature and it means everything.” What a shame that this commitment to excellence does not yet extend to honesty, transparency and public social responsibility about Apple’s supply chain, and the damage that is being done to Bangka and Belitung islands and their people.

**Friends of the Earth**

**Make it Better Campaign**

**July 2013**

[www.foe.co.uk/makeitbetter](http://www.foe.co.uk/makeitbetter)

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