



New Energy & Resources Regulations

Summary of the New Energy & Resources Regulations

The following is a list of the new energy & resources regulations. All regulations are available in Indonesian.

New Energy & Resources Regulations

1. Regulation: Perpres 36/2018 ([click here Perpres 36/2018](#))
Date : 18 April 2018
Subject : Perubahan atas Peraturan Presiden Nomor 9 Tahun 2013 tentang Penyelenggaraan Pengelolaan Usaha Hulu Minyak dan Gas Bumi (Amendment of Presidential Regulation Number 9 of 2013 concerning Operational Management of Upstream Oil and Gas Business)

Summary

Presidential Regulation Number 36 of 2018 contains changes relating to the implementation of management of upstream oil and gas business activities by SKK Migas as well as the establishment of an Oversight Commission to exercise control, oversight and evaluation of the management of upstream oil and gas business activities performed by SKK Migas.

2. Regulation: Minister of Energy and Mineral Resources (ESDM) Regulation 24/2018 ([click here Permen ESDM 24/2018](#))

Date : 24 April 2018

Subject : Perubahan Kedua atas Peraturan Menteri Energi dan Sumber Daya Mineral Nomor 26 Tahun 2017 tentang Mekanisme Pengembalian Biaya Investasi Pada Kegiatan Usaha Hulu Minyak dan Gas Bumi
(Second Amendment of Minister of Energy and Mineral Resources Regulation Number 26 of 2017 concerning Mechanism or Recovery of investment Expenses in Upstream Oil and Gas Business Activities)

Summary

As an effort to provide legal certainty for investment activities at the end of the period of cooperation contracts in upstream oil and gas business activities, the regulation concerning the mechanism for recovery of investment expenses in upstream oil and gas business activities has been revised again. Minister of ESDM Regulation No 24 of 2018 contains a change in the form of the addition of one new paragraph in Article 7, i.e. paragraph (4), which sets a maximum time limit for implementation of verification of the value of cost recovery by SKK Migas, i.e. 30 days. In addition, there are also two new paragraphs added in Article 8, i.e. paragraph (2a) and paragraph (2b), concerning the time limit for settlement of cost recovery no later than 7 days before the signing of a cooperation contract by a new contractor and imposition of a fine for delay by the contractor at 2.5% per day against the new contractor.

3. Regulation: Minister of Energy and Mineral Resources (ESDM) Regulation 23/2018 ([click here Permen ESDM 23/2018](#))

Date : 24 April 2018

Subject : Pengelolaan Wilayah Kerja Minyak dan Gas Bumi yang akan Berakhir Kontrak Kerja Samanya
(Management of Oil and Gas Work Areas whose Cooperation Contracts are about to Expire)

Summary

Minister of Energy and Mineral Resources Regulation Number 23 of 2018 contains provisions on the management of Oil and Gas Work Areas by the Minister of Energy and Mineral Resources. This management may be in the form of extension of the cooperation contract for 20 years for each extension, management by PT Pertamina (Persero), or joint management by the contractor and PT Pertamina (Persero). The consideration factors in this determination are the potential oil/gas reserves in the work area concerned, potential or certainty of market/need, technical and economic feasibility, performance of the contractor concerned, and the greatest possible benefit for the state.

4. Regulation: Minister of Energy and Mineral Resources (ESDM) Regulation 21/2018 ([click here Permen ESDM 21/2018](#))

Date : 10 April 2018

Subject : Perubahan Keempat atas Peraturan Menteri Energi dan Sumber Daya Mineral Nomor 39 Tahun 2014 tentang Perhitungan Harga Jual Eceran Bahan Bakar Minyak

(Fourth Amendment of Minister of Energy and Mineral Resources Regulation Number 39 of 2014 concerning Calculation of Retail Selling Prices of Oil-based Fuels)

Summary

Minister of Energy and Mineral Resources Regulation Number 21 of 2018 contains changes to the provision of Article 4 concerning calculation base, calculation formula, determination and considerations for approval for the retail selling prices of oil-based fuels, as well as the reports associated with implementation of the retail selling prices of oil-based fuels. The provision of Article 4 that is currently in force states that the maximum retail prices shall be determined by the business entity based on the base price plus VAT and Motor Vehicle Fuel Tax, with a maximum margin of 10% of the base price. The retail selling prices shall be set by the business entity after receiving approval from the Minister of ESDM and shall be reported every six months or from time to time if requested.

5. Regulation: 18 K/15/MEM/2018 ([click here 18 K/15/MEM/2018](#))
Date : 4 January 2018
Subject : Penugasan Kepada PT Pertamina (Persero) dalam Penyediaan dan Pendistribusian Paket Perdana Liquefied Petroleum Gas Tabung 3 Kilogram Tahun Anggaran 2018
(Assignment to PT Pertamina (Persero) in Provision and Distribution of Starter Packages of Liquefied Petroleum Gas in 3 Kilogram Canisters in Fiscal Year 2018)

Summary

Minister of Energy and Mineral Resources Decision Number 18 K/15/MEM/2018 contains assignment to a State-owned Enterprise, in this case PT Pertamina (Persero), to carry out provision and distribution of starter packages of Liquefied Petroleum Gas in 3 kilogram canisters in fiscal year 2018, for households and microenterprises in certain regions within the territory of the Unitary State of the Republic of Indonesia.

6. Regulation: 1811 K/12/MEM/2018 ([click here 1811 K/12/MEM/2018](#))
Date : 2 May 2018
Subject : Penetapan Harga Minyak Mentah Indonesia Bulan April 2018
(Determination of Indonesian Crude Oil Price for April 2018)

Summary

Minister of Energy and Mineral Resources Decision Number 1811 K/12/MEM/2018 specifically sets the average price of Indonesian crude oil for April 2018 at US\$67.43/barrel.

7. Regulation: 1794 K/10/MEM/2018 ([click here 1794 K/10/MEM/2018](#))
Date : 18 April 2018
Subject : Pedoman Penetapan Besaran Bonus Tanda Tangan dalam Evaluasi dan Penilaian Wilayah Kerja yang akan Dikelola Selanjutnya

(Guidelines for Determining the Amount of Signing Bonus in Evaluation and Assessment of Work Area for Further Management)

Summary

Minister of Energy and Mineral Resources Decision Number 1794 K/10/MEM/2018 stipulates the formula for calculating the amount of signing bonus, i.e.: 25% x (NVP10% Contractor – Investment Costs Not Yet Recovered – NVP10% Definite Work Commitment). This decision also sets the minimum amount of the signing bonus at US\$ 1 million, and the maximum at US\$ 250 million.

8. Regulation: 1790 K/20/MEM/2018 ([click here 1790 K/20/MEM/2018](#))

Date : 11 April 2018

Subject : Perubahan Atas Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 1750 K/20/MEM/2017 tentang Penetapan Alokasi dan Pemanfaatan Gas Bumi untuk Penyediaan Tenaga Listrik oleh PT Perusahaan Listrik Negara (Persero) (Amendment of Minister of Energy and Mineral Resources Decision Number 1750 K/20/MEM/2017 concerning Determination of Allocation and Utilization of Natural Gas for Provision of Electric Power by PT Perusahaan Listrik Negara (Persero))

Summary

Minister of Energy and Mineral Resources Decision Number 1790 K/20/MEM/2018 was issued to adjust the utilization of natural gas in the energy mix for power generation plants in accordance with PLN's electric power provision business plan for 2018 through 2027. Based on this decision, the Minister of ESDM may transfer part or all of the allocation of natural gas that cannot yet be optimized by PLN and has not been followed up with a natural gas sale/purchase agreement within a period of 12 months to another sector other than the electric power sector.

9. Regulation: 1776 K/12/MEM/2018 ([click here 1776 K/12/MEM/2018](#))

Date : 2 April 2018

Subject : Penetapan Harga Minyak Mentah Bulan Maret 2018
(Determination of Indonesian Crude Oil Price for March 2018)

Summary

Minister of Energy and Mineral Resources Decision Number 1776 K/12/MEM/2018 specifically sets the average price of Indonesian crude oil for March 2018 at US\$61.87/barrel. The determination of the Crude Oil Price for March 2018 is to carry out the provision in Minister of ESDM Regulation No 23 of 2012 concerning procedure for determination of methodology and formula of crude oil prices in Indonesia.

10. Regulation: 1775 K/32/MEM/2018 ([click here 1775 K/32/MEM/2018](#))
Date : 2 April 2018
Subject : Harga Mineral Logam Acuan dan harga Batubara Acuan Untuk Bulan April Tahun 2018
(Reference Prices of Metallic Minerals ad Reference Price of Coal for April of 2018)

Summary

Minister of Energy and Mineral Resources Decision Number 1775 K/32/MEM/2018 sets the reference prices of metallic minerals for 20 metallic mineral commodities and the reference price of coal which prevail during April 2018. The Reference Prices of Metallic Minerals (including reference prices for metallic minerals in the form of Nickel, Cobalt, Lead, Aluminium, Copper, Gold, Silver, and others) and the Reference Price of Coal will be used as the basis for calculation of the Benchmark Prices of Metallic Minerals and the Benchmark Price of Coal for April 2018.

11. Regulation: 1774 K/12/MEM/2018 ([click here 1774 K/12/MEM/2018](#))
Date : 29 March 2018
Subject : Harga Jual Eceran Jenis Bahan Bakar Minyak Tertentu dan Jenis Bahan Bakar Minyak Khusus
(Retail selling prices of Certain Types of Oil-based Fuels and Special Types of Oil-based Fuels)

Summary

Minister of Energy and Mineral Resources Decision Number 1774 K/12/MEM/2018 sets the retail selling price for kerosene at Rp2.500, for gas oil at Rp5.150, and for gasoline of RON 88 at Rp6.450, including Value Added Tax (VAT) and Motor Vehicle Fuel Tax (PBBKB).

12. Regulation: 1772 K/20/MEM/2018 ([click here 1772 K/20/MEM/2018](#))
Date : 29 March 2018
Subject : Besaran Biaya Pokok Penyediaan Pembangkitan PT Perusahaan Listrik Negara (Persero) Tahun 2017
(Amount of Basic Cost of Provision of Generation for PT Perusahaan Listrik Negara (Persero) for 2017)

Summary

Minister of Energy and Mineral Resources Decision Number 1320 K/32/MEM/2018 sets the amount of the basic cost of provision of generation by PT Perusahaan Listrik Negara (Persero) for 2017 as detailed in the attachment to the decision, which is to be used as the reference in purchases of electric power by PT PLN (Persero) and shall apply for the period from 1 April 2018 through 31 March 2019. The Basic Cost of Provision of Generation that is set in this decision covers the amount of Basic Cost of Provision of Generation for each distribution area and for each system and subsystem throughout the territory of Indonesia, as well as the Basic Cost of Provision of Generation for the national level.

13. Regulation: 34/PMK.03/2018 ([click here 34/PMK.03/2018](#))

Date : 29 March 2018

Subject : Pedoman Pelaksanaan Pemeriksaan Bersama atas Pelaksanaan Kontrak Kerja Sama Berbentuk Kontrak Bagi Hasil dengan Pengembalian Biaya Operasi di Bidang Usaha Hulu Minyak dan Gas Bumi
(Implementation guidelines for joint audits of implementation of cooperation contracts in the form of production sharing with recovery of operating costs in the upstream oil and gas business)

Summary

The Director General of Taxation conducts tax audit of the fulfilment of income tax obligations through a joint audit or tax audit to test compliance in the fulfilment of taxation obligations other than through a joint audit. In addition to the tax audit of the fulfilment of income tax obligations, audit of the fulfilment of production sharing obligations may be conducted through a joint audit conducted by a joint audit implementing unit which constitutes a part of the joint audit taskforce. The taskforce will make joint audit planning before starting a joint audit. Thereafter, the joint audit will be conducted in accordance with the standards and criteria stipulated in this regulation.

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