



Energy and Resources Regulations Update

The following is a list of the new Energy and Resources regulations.

All regulations are available in Indonesian.

1. Regulation : [PP 25/2021](#)
- Date : 2 February 2021
- Title : Penyelenggaraan bidang energi dan sumber daya mineral
(Indonesian)
- Title (English) : Implementation of energy and mineral resources sector

Summary

In order to implement the provisions of Article 39, Article 41, Article 42, and Article 185 letter b of Law Number 11 of 2020 concerning Job Creation, it is necessary to stipulate derivative regulations in the form of government regulation concerning the implementation of energy and mineral resources sector. In general, this regulation governs the provisions regarding mineral and coal, geothermal and electricity. The provisions regulated in this regulation are as follows:

- Provisions regarding the imposition of royalty of 0% for mining business license holders for production operations
- sanctions for business entities conducting geothermal business for indirect use that do not have IPB (Geothermal License)
- assignment of public service agencies or state-owned enterprises to carry out exploration, exploitation and/use of geothermal working areas
- provisions regarding the general plan for national electricity
- implementation of electricity supply businesses for underprivileged groups of people, less developed areas, rural areas and villages
- supervision and sanctions on the violation while conducting electricity business operations
- other provisions, transitional provisions, and closing provisions.

This regulation is in force since 2 February 2021.

2. Regulation : [16/PMK.02/2021](#)
- Date : 9 February 2021
- Title : Tata cara penyediaan, pencairan, dan pertanggungjawaban dana kompensasi atas
(Indonesian) kekurangan penerimaan badan usaha akibat kebijakan penetapan harga jual eceran bahan bakar minyak dan tarif tenaga listrik
- Title (English) : Procedures for the provision, disbursement and accountability of the compensation fund for the lack of revenue from the business entity due to the policy of determining the retail sale price of fuel oil and the tariff for electricity

Summary

This regulation is intended to ensure the availability and smooth distribution of fuel oil and electricity in Indonesia and to provide compensation to business entities, therefore procedures relating to the acceptance of business entities is needed. This regulation addresses the following matters:

- allocation of compensation fund in the APBN (State Budget) as well as proposal for the use of the compensation fund budget by KPA BUN (Budget User Proxy of General Treasurer)
- calculation of compensation funds including calculation formulas
- budgeting and disbursement of compensation fund
- accountability for compensation funds as well as accounting and reporting
- other provisions and closing provisions

This regulation is in force since 9 February 2021.

3. Regulation : [KEP-46/PJ/2021](#)
- Date : 10 February 2021
- Title (Indonesian) : Penetapan harga uap dan harga listrik yang digunakan dalam penentuan nilai jual objek pajak bumi dan bangunan sektor pertambangan untuk perusahaan panas bumi untuk tubuh bumi eksploitasi
- Title (English) : Determination of the price of steam and electricity used in determining sale value of land and building tax objects in the mining sector for geothermal business for underground land exploitation

Summary

In implementing the provisions of Article 20 paragraph 4 186/PMK.03/2019 regarding the classification of tax objects and procedures for determining the sale value of tax objects for land and building taxes, regulations are required to determine the price of steam and electricity to be used in determining the sale value of the tax object. This regulation discusses the provisions related to the matter mentioned before, including the price of steam and the price of electricity per kWh as well as notification of the validity of the steam price and electricity price stated in this regulation. With the ratification of KEP-46/PJ/2021, the provisions regarding prices of steam and electricity in KEP-185/PJ/2020 are revoked and declared invalid. This regulation is in force since 10 February 2021.

4. Regulation : [24.K/HK.02/MEM.B/2021](#)
- Date : 5 February 2021
- Title (Indonesian) : Harga mineral logam acuan dan harga batubara acuan untuk bulan Februari tahun 2021
- Title (English) : Reference prices of metallic minerals and coal for February 2021

Summary

Minister of Energy and Resources Decision Number 24.K/HK.02/MEM.B/2021 covers reference prices of metal minerals for 20 types of metals and reference prices for coal for February 2021. The reference coal price is stipulated at USD/ton. As of January, the reference price for coal is at 87.79 USD/ton. For metallic minerals prices, they are stipulated in US\$/dmt. The types of minerals as stated in the regulation including cobalt, lead, zinc, nickel, aluminium, copper, etc. The reference prices and other details of every type of mineral are all listed in the appendix.

5. Regulation : [22.K/MG.03/MEM.M/2021](#)
- Date : 1 February 2021
- Title (Indonesian) : Penetapan harga minyak mentah bulan Januari 2021
- Title (English) : Determination of Indonesian crude oil prices for January 2021

Summary

Minister of Energy and Mineral Resources Decision Number 22.K/MG.03/MEM.M/2021 specifically sets the average price of Indonesian crude oil for January 2021 at US\$ 53.17/barrel. This regulation includes the prices of Indonesian crude oil for the

main crude oils and other types of crude oil listed in the appendix. For every type of oil, other than their prices, there are also details concerning their formula, dated brent, and alpha. This regulation is in force since 1 February 2021.



Contact

Clients & Markets

Deloitte Indonesia

Email: IDMarcomm@deloitte.com

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