Energy and Resources (E&R) Regulations Update KM No.01/January/2023

30 January 2023



# 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 No 52 Tahun 2022

Date : 12 December 2022

Title : Keselamatan dan Keamanan Pertambangan Bahan Galian Nuklir

(Indonesian)

Title (English) : Safety and Security in Nuclear Mining

#### Summary

In order to implement the provisions of Article 16 paragraph (2) of Law Number 10 of 1997 concerning Nuclear Energy, it is necessary to stipulate a Government Regulation concerning the Safety and Security in Mining of Nuclear Minerals. This stipulation is listed in the Government Regulation Number 52 of 2022. The legal basis of this Government Regulation is Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia and Law Number 10 of 1997. This Government Regulation discloses aspects of all stages of nuclear mineral mining which include nuclear mining safety; security of mining of nuclear minerals; and safety and security management of nuclear mineral mining. Violation of the safety provisions for the mining of nuclear minerals is subject to administrative sanctions consisting of a written warning; administrative fines; license suspension; or license revocation.

This regulation is in effect starting 12 December 2022.

2. Regulation : Permen ESDM No 16 Tahun 2022

Date : 20 December 2022

Title : Tata Cara Penyelenggaraan Nilai Ekonomi Karbon Subsektor Pembangkit Tenaga

(Indonesian) Listrik

Title (English) : Procedures for Implementing Carbon Economic Value in Sub-Sector Power

Generation

#### Summary

The Regulation of the Minister of Energy and Mineral Resources Number 16 of 2022 is constituted in order to realize the government's contribution in curbing greenhouse gas emission. The content in this regulation includes: Determination of technical approval for limits on greenhouse gas emissions for power plants, preparation of plans for monitoring greenhouse gas emissions for power plants; carbon trading; preparation of a report on the emission of greenhouse gases for electricity generation; evaluating the implementation of carbon trading and bidding for technical approvals for limits on greenhouse gas emissions for power generation business players; guidance and supervision; as well as other provisions related to procedures for implementing carbon economic value in the power generation sub-sector.

This regulation is in effect starting 27 December 2022.

3. Regulation : Permen ESDM No 15 Tahun 2022

Date : 20 December 2022

Title : Tata Cara Penetapan Pengguna Gas Bumi Tertentu dan Harga Gas Bumi Tertentu di

(Indonesian) Bidang Industri

Title (English) : Procedures for Determining Certain Natural Gas Users and Certain Natural Gas Prices

in the Industrial Sector

#### Summary

In order to utilize and determine natural gas price to address the stipulation in Presidential Decree Number 121 of 2020, this regulation concerning the procedures for determining certain natural gas users and certain natural gas prices in the industrial sector is constituted. Several aspects are considered in determining the natural gas prices, namely economic condition, national and international natural gas prices, consumer buying power, and added value of natural gas utilization in the nation. Calculation adjustment for natural gas purchased from Contractor and/or natural gas distribution from liquefaction, compression, transport through transmission and distribution pipes, liquefied natural gas and compressed natural gas transport, storage, regasification, and/or trade and reasonable margins. This regulation also regulates natural gas prices for user in certain industries, recommendation submission to relevant ministry, evaluation based on recommendation, provisions on determining natural gas prices and taxation.

This regulation is in effect starting 23 December 2022.

4. Regulation : Permen ESDM No 14 Tahun 2022

Date : 12th December 2022

Title : Neraca Sumber Daya Dan Cadangan Mineral Dan Batubara Nasional

(Indonesian)

Title (English) : Balance Sheet of National Mineral and Coal Resources and Reserves

#### **Summary**

The Regulation of the Minister of Energy and Mineral Resources Number 16 of 2022 is constituted in consideration to mineral and coal mining activities that hold an important role in the national economic growth. Matters included in this regulation are as follows: Classification of mineral and coal resources and reserves; compiling a balance sheet of national mineral and coal resources and reserves: as well as the determination of the balance sheet of national mineral and coal resources and reserves. There are two types of classification mentioned in this regulation, namely the classification of resources and the classification of mineral and coal reserves. The classification of mineral and coal resources includes inferred resources, indicated resources and measured resources, while the classification of mineral and coal reserves is divided into probable and proven reserves. In the National Mineral and Coal Resources and Reserves Balance Sheet, the compilation is based on data and/or information in electronic form (softcopy) and print (hardcopy). The stages of compiling the National Mineral and Coal Resources and Reserves Balance Sheet are data inventory, data verification, and data processing.

This regulation is in effect starting 12th December 2022.

5. Regulation : <u>Kepmendag No.1592 Tahun 2022</u>

Date : 26 December 2022

Title : Harga Patokan Ekspor Atas Produk Pertambangan Dikenakan Bea Keluar

(Indonesian)

Title (English) : Standard Export Prices for Mining Products Subject to Export Duty

#### **Summary**

In order to carry out the Government Regulation Number 55 of 2008 concerning Imposition of Export Duty on Export Goods, this regulation is constituted to determine the standard export price for mining product subject to export duty. The addendum in this regulation discloses the standard export price for each mining product subject to export duty for the period od 1 January 2023 – 31 January 2023. Mining products disclosed here include copper concentrate; hematite, magnetite, laterite iron concentrates; manganese concentrate; lead concentrate; zinc concentrate; iron sand concentrate and pellet (lamella magnetite-ilmenite); ilmenite concentrate; rutile concentrate; and washed bauxite.

This regulation is in effect starting 1 January 2023.

6. Regulation : <u>3.K/MB.01/MEM.B/2023</u>

Date : 5 January 2023

Title : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Januari Tahun

(Indonesian) 2023

Title (English) : Reference Metal Mineral Prices and Reference Coal Prices for January 2023

#### **Summary**

The Decree of the Minister of Energy and Resources number 3.K/MB.01/MEM.B/2023 establishes the reference price of metal minerals and reference price of coal for January 2023. The metal mineral commodities mentioned in this Decree are nickel, cobalt, lead, zinc, aluminum, copper, forms of gold, forms of silver, forms of tin, manganese, iron ore, chrome ore, ilmenite concentrate, and titanium concentrate. There are different reference prices for each commodity as seen in the appendix of the Decree. The reference price for coal is 305,21 USD/ton.

This regulation is in effect starting 5 January 2023.

7. Regulation : 301.K/MB.01/MEM.B/2022

Date : 19 December 2022

Title : Rencana Pengelolaan Mineral dan Batubara Nasional Tahun 2022-2027

(Indonesian)

Title (English) : National Mineral and Coal Management Plan for 2022-2027

## **Summary**

This regulation discloses the National Mineral and Coal Management Plan for 2022-2027 and the guidelines of this management plan. Firstly, Considerations for the National Mineral and Coal Management Plan formulation such as economic growth, environmental preservation, science and technological advancement, and other considerations; Content of the National Mineral and Coal Management Plan, such as national mineral and coal policy, strategy, potential fund and

reserves, and others; National Mineral and Coal Management Plan as a guideline in mineral and coal management including permit issuance, guidance and supervision, mineral and coal value increase, and others; Technical guideline implementation in reference to the National Mineral and Coal Management Plan; Revaluation for the National Mineral and Coal Management Plan once every 5 (five) years in case of occurring changes in national mineral and coal policy and/or long term and medium term national development plan.

This regulation is in effect starting 19 December 2022.

8. Regulation : 293.K/HK.02/MEM.S/2022

Date : 9 December 2022

Title : Pedoman Pelaksanaan Sistem Keanggotaan dan Nonanggota Dalam Pelayanan

(Indonesian) Pemanfaatan Data Hulu Minyak dan Gas Bumi

Title (English) : Guidelines for the Implementation of the Membership and Non-Membership

Systems in Upstream Oil and Gas Data Utilization Services

#### **Summary**

Through this regulation, the Minister of Energy and Resources aims to bolster oil and gas exploration and exploitation activities by improving the service of upstream oil and gas data utilization with membership and non-membership system. Firstly, this regulation determines a guideline in the implementation of membership and non-membership system in the upstream oil and gas data utilization services that includes access privilege and data utilization, as well as other provision concerning data package access. Data and Information Technology Center of Energy and Resources may organize media transfer and/or data transcript program annually in accordance with fund allocation. Other than that, the Data and Information Technology Center of Energy and Resources may charge additional fund for media transfer and/or data transcript outside of the planned program if there is a proposal and the data is not yet available.

This regulation is in effect starting 9 December 2022.

9. Regulation : 288.K/MB.01/MEM.B/2022

Date : 8 December 2022

Title : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Desember

(Indonesian) Tahun 2022

Title (English) : Reference Metal Mineral Prices and Reference Coal Prices for December 2022

## <u>Summary</u>

The Decree of the Minister of Energy and Resources number 293.K/HK.02/MEM.S/2022 establishes the reference price of metal minerals and reference price of coal for December 2022. The metal mineral commodities mentioned in this Decree are nickel, cobalt, lead, zinc, aluminum, copper, forms of gold, forms of silver, forms of tin, manganese, iron ore, chrome ore, ilmenite concentrate, and titanium concentrate. There are different reference prices for each commodity as seen in the appendix of the Decree. The reference price for coal is 281,48 USD/ton.

This regulation is in effect starting 8 December 2022.

10. Regulation : <u>270.K/HK.02/MEM.S/2022</u>

Date : 22 November 2022

Title : Perubahan Ketiga atas Keputusan Menteri Energi dan Sumber Daya Mineral Nomor

(Indonesian) 77 K/90/MEM.B/2019 tentang Objek Vital Nasional Bidang Energi dan Sumber Daya

Mineral

Title (English) : Third Amendment to the Decree of the Minister of Energy and Mineral Resources

Number 77 K/90/MEM.B/2019 concerning National Vital Objects in the Energy and

Mineral Resources Sector

#### <u>Summary</u>

In this Minister of Energy and Mineral Resources Decree, there are changes to the list of national vital objects in the energy and mineral resources sector as previously amended in the Decree of the Minister of Energy and Mineral Resources Number 202.K/HK.02/MEM.S/2021. National vital objects listed in this regulation consist of several subsectors, namely, oil and gas sector (upstream and downstream oil and gas business activities); electricity sector; mineral and coal sector; as well as renewable energy and energy conservation sector.

This regulation is in effect starting 22 November 2022.

11. Regulation : 267.K/MB.01/MEM.B/2022

Date : 21 November 2022

Title : Pemenuhan Kebutuhan Batubara Dalam Negeri

(Indonesian)

Title (English) : Fulfillment of Domestic Coal Needs

# **Summary**

The purpose of this regulation is to assure the fulfilment of Domestic Coal Needs. There are several provisions disclosed in this regulation: Determine the percentage of coal sales for the domestic market obligation (DMO) as a Continuation of Coal Commodity Contract/Agreement Operations of 25% (twenty five percent); if there are changes to the Working Plan and Annual Budget, then the percentage of coal sales for DMO is determined according to the plan for the amount of greater coal production; Mining Business Permit holders must meet the percentage of coal sales for DMO; To fulfil DMO, the Director General of Minerals and Coal can appoint a Mining Business Permit holder if the DMO is not met; The Mining Business Permit Holder is required to submit a report on the realization of DMO fulfillment no later than 10 (ten) calendar days at the end of the month and according to the format; If the results of the evaluation of the report on the realization of DMO fulfillment do not meet the percentage of sales, then the obligation to pay compensation funds, fines, or fines and compensation funds may be imposed; Holders of Mining Business Permits who do not pay fines and/or compensation funds are subject to tiered administrative sanctions; Evaluation guidelines for reports on the realization of DMO fulfillment are listed in the addendum; Determination of the selling price of coal for the supply of electricity is based on the reference specifications with the provisions listed; Business entities providing electricity are required to make plans to meet coal needs every year.

This regulation is in effect starting 21 November 2022.

12. Regulation : <u>208.K/EK.05/DJE/2022</u>

Date : 28 December 2022

Title : Perubahan Atas Keputusan Menteri Energi Dan Sumber Daya Mineral Nomor (Indonesian) 205.K/EK.05/DJE/2022 Tentang Penetapan Badan Usaha Bahan Bakar Minyak Dan

Badan Usaha Bahan Bakar Nabati Jenis Biodiesel Serta Alokasi Volume Bahan Bakar Nabati Jenis Biodiesel Untuk Pencampuran Bahan Bakar Minyak Jenis Minyak Solar

Periode Januari-Desember 2023

Title (English) : Amendments to the Decree of the Minister of Energy and Mineral Resources Number

205.K/EK.05/DJE/2022 concerning Determination of Oil Fuel Business Entities and Biodiesel Type Business Entities and Volume Allocation of Biodiesel for Mixing of

Diesel Fuel Oil for the January-December 2023 Period

#### **Summary**

This regulation amended the FIRST and SECOND dictum in the Decree of the Minister of Energy and Mineral Resources Number 205.K/EK.05/DJE/2022 concerning Determination of Oil Fuel Business Entities and Biodiesel Type Business Entities and Allocation of Biodiesel for Mixing of Diesel Fuel Oil in January-December 2023 Period. The FIRST dictum conveys the determination of Fuel Oil Business Entity List, Biodiesel Business Entity List, and allocation of Biodiesel volume for Diesel Type Fuel Oil mixing for the period of February 2023 to December 2023. The SECOND dictum conveys the total allocation of Biodiesel volume in the mixing of Diesel Type Fuel Oil for the January to December 2023 period is 13,148,594 kL, including the reserve volume of 156,531 kL. The addendum in this regulation includes the list of Oil Fuel Business Entities and Biodiesel Type Business Entities and Volume Allocation of Biodiesel for Mixing of Diesel Fuel Oil for the January-December 2023 Period.

This regulation is in effect starting 28 December 2022.

13. Regulation : <u>205.K/EK.05/DJE/2022</u>

Date : 15 December 2022

Title : Penetapan Badan Usaha Bahan Bakar Minyak Dan Badan Usaha Bahan Bakar Nabati

Jenis Biodiesel Serta Alokasi Volume Bahan Bakar Nabati Jenis Biodiesel Untuk Pencampuran Bahan Bakar Minyak Jenis Minyak Solar Periode Januari-Desember

2023

Title (English) : Determination of Oil Fuel Business Entities and Biodiesel Type Business Entities and

Volume Allocations of Biodiesel for Mixing of Diesel Fuel Oil for the January-

December 2023 Period

# **Summary**

(Indonesian)

In the foundation of Biodiesel Type Biofuel procurement for the mixing of Diesel Type Fuel Oil, this regulation was constituted. This regulation determines the list of Oil Fuel Business Entities and Biodiesel Type Business Entities, as well as Volume Allocation of Biodiesel for Mixing of Diesel Fuel Oil for the January-December 2023 Period. The volume allocation is 35% of Biodiesel and 65% of Diesel Fuel Oil. Total allocation of Biodiesel volume in the mixing of Diesel Type Fuel Oil for the January to December 2023 period is 13,148,594 kL with 5% volume increase tolerance at the highest. Handover point of Biodiesel is concluded by considering the principle of transparency, effectivity, efficiency, fairness and continuity. Time period of Biodiesel procurement for the mixing of Diesel Fuel Oil may be adjusted in accordance with the Administration Committee of Palm Plantation Fund Management Agency.

This regulation is in effect starting 15 December 2022.



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