



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 25/2024](#)
- Date : 30 May 2024
- Title (Indonesian) : Perubahan atas Peraturan Pemerintah Nomor 96 Tahun 2021 tentang Pelaksanaan Kegiatan Usaha Pertambangan Mineral dan Batubara
- Title (English) : Amendment to the Government Regulation Number 96 of 2021 concerning the Implementation of Mineral and Coal Mining Business Activities

Summary

The Regulation of the Minister of Energy and Resources number 25 of 2024 amends the Regulation of the Minister of Energy and Resources number 96 of 2021 concerning the implementation of business activities in mineral and coal mining. The aim of this regulation is to update and refine the rules and procedures governing the mineral and coal mining sectors in Indonesia. The regulation also outlines specific timelines and responsibilities for various government agencies and stakeholders to ensure the smooth implementation of the updated rules. Key changes and updates found in this document include:

Licensing and Permits, including streamlining the process for obtaining mining permits, introducing new requirements and conditions for license renewals, enhancing transparency and accountability in the licensing process.

Environmental Regulations, including strengthening environmental protection measures, imposing stricter regulations on waste management and land rehabilitation, increasing penalties for non-compliance with environmental standards.

Local Community Involvement, including mandating greater involvement of local communities in mining projects, ensuring fair compensation and benefits for affected communities, promoting sustainable development in mining areas.

Safety and Labor, including updating safety standards for mining operations, enhancing labor rights and protections for mine workers, implementing mandatory training programs for safety and health.

Financial Provisions, including revising tax policies and royalty rates for mining companies, introducing financial incentives for environmentally friendly mining practices, establishing funds for environmental restoration and community development.

Technology and Innovation, including encouraging the adoption of new technologies in mining operations, supporting research and development in the mining sector, facilitating the transition to sustainable mining practices.

2. Regulation : [Permen ESDM 7/2024](#)
- Date : 10 June 2024
- Title (Indonesian) : Tarif Tenaga Listrik Yang Disediakan Oleh PT. Perusahaan Listrik Negara (Persero)
- Title (English) : Electricity Tariffs Provided by PT. Perusahaan Listrik Negara (Persero)

Summary

The Regulation of the Minister of Energy and Resources number 7 of 2024 concerns the electricity tariffs provided by PT Perusahaan Listrik Negara (PLN). This regulation sets forth the guidelines for determining electricity rates applicable to various customer categories. The primary objective is to ensure a fair and transparent tariff structure that reflects the actual cost of electricity provision while promoting efficient energy use and financial sustainability for PLN. Key aspects in this regulation include:

Tariff Classification: It outlines the different tariff classes based on customer types, such as residential, commercial, industrial, and social services, each with specific rates and conditions.

Adjustment Mechanism: The regulation specifies mechanisms for periodic tariff adjustments to account for changes in fuel prices, inflation, and other economic factors that affect the cost of electricity production and distribution.

Incentives and Penalties: There are provisions for incentives to promote energy conservation and penalties for excessive consumption, aiming to encourage efficient energy use among consumers.

Implementation and Monitoring: The regulation mandates PLN to implement the tariff structure and regularly report to the Ministry of Energy and Mineral Resources to ensure compliance and address any issues arising from the application of the new tariffs.

3. Regulation : [Permen ESDM 6/2024](#)
- Date : 29 May 2024
- Title (Indonesian) : Penyelesaian Pembangunan Fasilitas Pemurnian Mineral Logam di Dalam Negeri
- Title (English) : Completion of the Construction of Domestic Metal Mineral Refining Facilities

Summary

This regulation addresses the completion of metal mineral refining facilities within Indonesia by mining business permit holders (IUP) and special mining business permit holders (IUPK) for commodities such as copper, iron, lead, and zinc. The aim of this regulation is to support the growth and development of the mineral refining industry in Indonesia, ensuring these facilities can contribute effectively to the national economy by providing necessary time and guidelines for the completion and optimal operation of refining facilities.

There are several requirements for export explained in this regulation, namely, Companies must have produced processed products; Physical progress of the refining facility construction must have reached the commissioning stage by the specified date; Export duties must be paid according to applicable regulations; Minimum processing thresholds must be met as per the regulations. Furthermore, there will be supervision and monitoring where the Director General responsible for mineral and coal activities will oversee the progress and compliance with these regulations and the monitoring will be conducted every three months and as needed to ensure adherence.

4. Regulation : [Permen ESDM 5/2024](#)
- Date : 7 May 2024
- Title (Indonesian) : Pedoman Penetapan Nilai Perolehan Air Tanah
- Title (English) : Guideline for Determining Groundwater Acquisition Value

Summary

This regulation provides guidelines for determining the acquisition value of groundwater, establishing a standardized method for calculating the value of groundwater extraction to ensure proper management and sustainable use of water resources. The aim of this regulation is to promote sustainable groundwater management, prevent over-extraction, and ensure the equitable use of this vital resource. This regulation applies to all groundwater extraction activities and aims to create a transparent, fair, and accountable system for valuing groundwater use, it also mandates regular reporting and compliance checks to ensure adherence to the set guidelines. Entities involved in groundwater extraction must comply with these rules and submit relevant data to the authorities and there are penalties for non-compliance, ensuring that entities that fail to adhere to the regulations face consequences. The methodology in this regulation outlines the criteria and methods for calculating the acquisition value, including factors such as the volume of water extracted, the purpose of use, and the environmental impact. Lastly, it also provides provisions for periodic review and updates to adapt to changing environmental conditions and technological advancements.

5. Regulation : [166.K/MB.03/MEM.B/2024](#)

Date : 19 July 2024

Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Juli 2024

Title (English) : Reference Metal Mineral Price and Reference Coal Price for July 2024

Summary

The Decree of the Minister of Energy and Resources number 166.K/MB.03/MEM.B/2024 establishes the reference price of metal minerals and reference price of coal for July 2024. The metal mineral commodities mentioned in this Decree are nickel, cobalt, lead, zinc, aluminium, 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.

Reference price for Coal (6.322 GAR) is 130,44 USD/ton,

Reference price for Coal I (5.300 GAR) is 91,85 USD/ton,

Reference price for Coal II (4.100 GAR) is 56,09 USD/ton.

Reference price for Coal III (3.400 GAR) is 36,22 USD/ton.

6. Regulation : [132.K/GL.01/MEM.G/2024](#)

Date : 19 June 2024

Title (Indonesian) : Neraca Sumber Daya dan Cadangan Mineral dan Batubara Nasional Pada Tahun 2023

Title (English) : National Mineral and Coal Resources and Reserves Balance of 2023

Summary

This Decree of the Minister of Energy and Mineral Resources Number 132.K/GL.01/MEM.G/2024 addresses the National Balance of Mineral and Coal Resources and Reserves for the year 2023. This decision, issued by the Ministry of Energy and Mineral Resources, details the inventory and status of mineral and coal resources and reserves across Indonesia. Included in this decree are Comprehensive data on the quantities and locations of various mineral and coal resources, Assessment of the current status and potential future availability of these resources, and Insights into national strategies for managing and utilizing these mineral and coal reserves to support economic development. The 2023 National Mineral and Coal Resources and Reserves Balance Location Distribution Map Groups listed in this decree include the Precious Metals Group, Base Metals Group, Iron and Iron Alloy Metals Group, Light and Rare Metals Group, Radioactive Minerals, Coal, Peat, etc.

7. Regulation : [131.K/MB.01/MEM.B/2024](#)

Date : 19 June 2024

Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Juni 2024

Title (English) : Reference Metal Mineral Price and Reference Coal Price for June 2024

Summary

The Decree of the Minister of Energy and Resources number 131.K/MB.01/MEM.B/2024 establishes the reference price of metal minerals and reference price of coal for June 2024. The metal mineral commodities mentioned in this Decree are nickel, cobalt, lead, zinc, aluminium, 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.

Reference price for Coal (6.322 GAR) is 123,00 USD/ton,

Reference price for Coal I (5.300 GAR) is 88,65 USD/ton,

Reference price for Coal II (4.100 GAR) is 54,79 USD/ton.

Reference price for Coal III (3.400 GAR) is 35,82 USD/ton.

8. Regulation : [111.K/MB.01/MEM.B/2024](#)
- Date : 21 May 2024
- Title (Indonesian) : Pedoman Permohonan, Evaluasi dan Persetujuan Pembukaan Kembali Area Yang Telah Direklamasi Pada Kegiatan Usaha Pertambangan dan Batubara
- Title (English) : Guidelines for Application, Evaluation and Approval of the Reopening of Reclaimed Areas in Mining Business Activities

Summary

This decree outlines the guidelines for applying, evaluating, and approving the reopening of reclaimed areas in mining activities. This regulation provides a detailed framework for how companies involved in mining can request the reopening of areas that have undergone reclamation. It includes criteria for evaluation and the approval process, ensuring that any reclaimed land that is reopened for mining meets environmental and regulatory standards. Key aspects of this regulation include detailed steps for submitting a request to reopen a reclaimed area in the application process; specific standards and benchmarks that need to be met for an area to be considered for reopening; approval procedures, the process through which approvals are granted, including necessary documentation and compliance with existing mining laws and environmental regulations. The reopening of reclaimed areas can be proposed by holders of Mining License and Special Mining License at Production Operations stage; Special Mining License as Contract Continuation; Coal Mining Business Work Agreement; and Contract of Work.



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