



Energy & Resources Regulations Update

The 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 : [Permendag 86/2019](#)
Date : 11 November 2019
Regarding : Penetapan harga patokan ekspor atas produk pertambangan yang dikenakan bea keluar
(Determination of benchmark export prices for mining products subject to export duty)

Summary

Minister of Energy and Resources Regulation Number 86 year 2019 covers the determination of benchmark export prices for mining products subject to export duty. The regulation stipulates the export price based on the highest average price in international exchanges, FOB (Free On Board), and the highest average price that applies in the domestic market or the highest average price in the last month before the stipulation of the benchmark export price from the importing country from which the mining products come. The benchmark export price

in the regulation includes the product's description and its tariff in USD/WE unit. This regulation revokes Minister of Energy and Resources Regulation Number 74 of 2019 and is in force since 11 November 2019.

2. Regulation : [225 K/12/MEM/2019](#)
Date : 4 November 2019
Regarding : Penetapan harga minyak mentah Indonesia bulan Oktober 2019
(Determination of Indonesian crude oil prices for October 2019)

Summary

Minister of Energy and Mineral Resources Decision Number 225 K/12/MEM/2019 specifically sets the average price of Indonesian crude oil for September 2019 at US\$ 59.82/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 4 November 2019.

3. Regulation : [224 K/30/MEM/2019](#)
Date : 1 November 2019
Regarding : Harga mineral logam acuan dan harga batubara acuan untuk bulan November 2019
(Reference prices of metallic minerals and coal for November 2019)

Summary

Minister of Energy and Resources Decision Number 224 K/30/MEM/2019 covers reference prices of metal minerals for 20 types of metals and reference prices for coal as of November 2019. The reference coal price is stipulated at USD/ton. As of November 2019, the reference price for coal is at 66.27 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.

4. Regulation : [BPH Migas 20/2019](#)
Date : 23 October 2019
Regarding : Lelang ruas transmisi dan/atau wilayah jaringan distribusi gas bumi dalam rangka pemberian hak khusus
(Auction of transmission lines and/or natural gas distribution network areas in the context of granting special rights)

Summary

Oil and Gas Downstream Regulatory Agency Regulation Number 20 of 2019 is formed in order for the implementation of the auction of transmission lines and/or natural gas distribution network areas in the context of granting special rights to be transparent, accountable, competitive and fair. This regulation consists of several matters below:

1. Determination of transmission lines and/or natural gas distribution network including matters such as the mechanism in determining transmission lines, location of natural gas, potential location, consumers' location, infrastructure conditions, etc.
2. Formation of the auction committee and the requirements to participate in the auctions.
3. Auction and offering documents.
4. Evaluating offering documents.
5. Determination and announcement of winner's candidates.
6. Refusal.
7. Capex and Opex offering rights of the initiating business entity.
8. Obligation of the offering winner's candidate.
9. Determination and announcement of auction's winner.
10. Return of the offering's warrant.
11. Obligation of auction's winner and determination of special rights to the auction's winner.
12. Supervision and evaluation of the implementation of pipelines construction.
13. Administrative sanctions,
14. Transitional provisions and closing provisions.

This regulation is in force since 23 October 2019.

5. Regulation : [**195 K/80/MEM/2019**](#)

Date : 10 October 2019

Regarding : Perubahan atas Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 1987 K/80/MEM/2018 tentang penetapan daerah penghasil dan dasar penghitungan dana bagi hasil sumber daya alam minyak dan gas bumi untuk tahun 2019 (Amendment of Minister of Energy and Resources Number 1987 K/80/MEM/2018 concerning the determination of producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2019)

Summary

Minister of Energy and Resources Decision Number 195 K/80/MEM/2019 amended the Minister of Energy and Resources Decision Number 1987 K/80/MEM/2018 concerning the determination of producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2019. This regulation amended the number of provinces, regions, and cities that are determined as producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2019. All details of the regions/cities are listed in the appendix. This regulation is in force since 10 October 2019.

6. Regulation : [**200 K/80/MEM/2019**](#)

Date : 10 October 2019

Regarding : Penetapan daerah penghasil dan dasar penghitungan dana bagi hasil sumber daya alam minyak dan gas bumi untuk tahun 2020 (Determination of producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2020)

Summary

Minister of Energy and Resources Decision Number 200 K/80/MEM/2019 stipulates the producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2020. In this regulation, the producing regions and base calculation for natural resources revenue sharing of oil and gas for year 2020 are planned as below:

1. For oil;
 - a. Regions/cities that manage oil in the land and/or sea (0 to 4 nautical miles; 57 regions and 6 cities.
 - b. Provinces that manage oil in the sea (more than 4 to 12 nautical miles); seven provinces.
 - c. Central Government that manages oil in the sea for more than 12 nautical miles.

The details of the regions and its total are all listed in Appendix 1.

2. For natural gas;
 - a. Regions/cities that manage gas in the land and/or sea (0 to 4 nautical miles; 40 regions and 7 cities.
 - b. Provinces that manage oil in the sea (more than 4 to 12 nautical miles); six provinces.
 - c. Central Government that manages oil in the sea for more than 12 nautical miles.

The details of the regions and its total are all listed in Appendix 2.

In this regulation, it also states that the base calculation for natural resources revenue sharing of oil and gas for year 2020 is the lifting of oil and gas from the upstream business activities that are conducted by Contractors of Partnership Contract in the related region/city. This regulation is in force since 10 October 2019.

7. Regulation : [201 K/80/MEM/2019](#)
Date : 10 October 2019
Regarding : Penetapan daerah penghasil dan dasar penghitungan dana bagi hasil sumber daya alam pertambangan mineral dan batubara untuk tahun 2020
(Determination of producing regions and base calculation for natural resources revenue sharing of mineral and coal mining for year 2020)

Summary

Minister of Energy and Resources Decision Number 201 K/80/MEM/2019 regulates the producing regions and base calculation for natural resources revenue sharing of mineral and coal mining for year 2020. It covers the details of the regions, the criteria for the producing regions, and the formula to calculate the revenue sharing of mineral and coal mining for year 2020. All further details regarding the producing regions are explained in the appendix. This regulation is in force since 10 October 2019.

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