



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 : Perpres 55/2019 ([click here for Perpres 55/2019](#))
Date : 12 August 2019
Regarding : Percepatan program kendaraan bermotor listrik berbasis baterai (battery electric vehicle) untuk transportasi jalan
(Acceleration of the program of battery electric vehicle for road transportation)

Summary

Presidential Regulation number 55 year 2019 regulates the acceleration of the program of battery electric vehicle for road transportation. The regulation covers the general provisions regarding electric vehicle; the definition, battery, public-charging stations for the electric vehicle, and other provisions. Chapter 2 regulates the development of battery electric vehicle industry in Indonesia such as researches and innovations. This regulation also covers the control of fossil-fuelled vehicles and the vehicle's incentive on Article 17. Then in Chapter 4, this regulation regulates the provision of the electricity-charging infrastructure. It also

regulates the registration for the type of electric vehicle and its identification number in Chapter 5. Furthermore, it also discusses the matter of protecting the environment, especially in handling battery waste. This regulation is in force since 12 August 2019.

2. Regulation : PP 48/2019 ([click here for PP 48/2019](#))
Date : 8 July 2019
Regarding : Besaran dan penggunaan iuran badan usaha dalam Kegiatan usaha penyediaan dan pendistribusian bahan bakar minyak dan pengangkutan gas bumi melalui pipa (Amount and use of business entity fees in business activities of supplying and distributing fuel oil and transporting natural gas through pipelines)

Summary

Government Regulation number 48 year 2019 covers the reduction of business entity fees in business activities of supplying and distributing fuel oil and natural gas transmission through pipelines. The regulation contains provisions regarding the percentage of fees. Percentage of fees with fuel sales volume of up to 25 million kilolitres (kl) per year decreased from 0.3 percent to 0.250 percent and the volume of fuel sales that reach above 25 million kl to 50 million kl per year, its percentage of fees decreased from 0.2 percent to 0.175 percent. Whereas, the percentage of fees with fuel sales volume above 50 million kl per year, is cut from 0.1 percent to 0.075 percent. This regulation also regulates the percentage of fees for natural gas transmission through pipelines. For transmission volume of 100 million natural gas per thousand standard cubic feet (MSCF) per year, its percentage of fees decreased from 3 percent to 2.50 percent, while the percentage of fees from transmission volume above 100 million MSCF per year decreased from 2 percent to 1.50 percent. This regulation will be in force 60 days after the date of its promulgation.

3. Regulation : 122/PMK.03/2019 ([click here for 122/PMK.03/2019](#))
Date : 27 August 2019
Regarding : Fasilitas pajak pertambahan nilai atau pajak pertambahan nilai dan pajak penjualan atas barang mewah, pajak bumi dan bangunan, serta perlakuan perpajakan atas pembebanan biaya operasi fasilitas bersama dan pengeluaran alokasi biaya tidak langsung kantor pusat (Facility of value added tax or value added tax and sales tax on luxury goods, land and building tax, as well as taxation treatment for the imposition of joint facility operating costs and expenditure of indirect central office allocation expenses)

Summary

Minister of Finance Regulation number 122/PMK.03/2019 regulates the facility of value added tax or value added tax and sales tax on luxury goods, land and building tax, as well as taxation treatment for the imposition of joint facilities operating costs and expenditure of indirect central office allocation expenses. The regulation states that in the exploration phase, the VAT or sales tax on luxury goods (PPnBM) that is payable is not collected for the acquisition of taxable goods or services that are used for petroleum operations. It also states the 100% reduction from the land and building tax payable of oil and gas that is listed in the notification of tax payable. While at the exploitation phase, incentives are given to contractors who cannot reach the internal rate of return (an indicator of investment efficiency level) and have a working area

with certain criteria. There are also provisions regarding taxation treatment for cost sharing of operation facilities and other provisions. This regulation will be in force starting 27 September 2019.

4. Regulation : 123/PMK.03/2019 ([click here for 123/PMK.03/2019](#))
Date : 27 August 2019
Regarding : Perubahan Ketiga atas Peraturan Menteri Keuangan Nomor 196/PMK.03/2007 tentang tata cara penyelenggaraan pembukuan dengan menggunakan bahasa asing dan satuan mata uang selain rupiah serta kewajiban penyampaian surat pemberitahuan tahunan pajak penghasilan wajib pajak badan (Third amendment of the Minister of Finance Regulation number 196/PMK.03/2007 concerning procedures for conducting bookkeeping using foreign language and currency other than rupiah as well as obligation to file annual income tax returns for corporate taxpayers)

Summary

Minister of Finance Regulation number 123/PMK.03/2019 regulates the third amendment of the Minister of Finance Regulation number 196/PMK.03/2007 concerning procedures for conducting bookkeeping using foreign language and currency other than rupiah as well as obligation to file annual income tax returns for corporate taxpayers. This regulation changes the Article 3 regarding the taxpayers and a new article namely Article 15C, placed in between Article 15B and Article 16. This regulation is in force since 27 August 2019.

5. Regulation : 119/PMK.02/2019 ([click here for 119/PMK.02/2019](#))
Date : 16 August 2019
Regarding : Tata cara pembayaran kembali (reimbursement) Pajak Pertambahan Nilai atau pajak pertambahan nilai dan pajak penjualan atas barang mewah atas perolehan barang kena pajak dan/atau jasa kena pajak kepada kontraktor dalam kegiatan usaha hulu minyak dan gas bumi (Procedure for reimbursement of value added tax or value added tax and sales tax on luxury goods on acquisition of taxable goods and/or taxable services to contractors in upstream oil and gas business activities)

Summary

Minister of Finance Regulation number 119/PMK.02/2019 regulates the procedure for reimbursement of value added tax or value added tax and sales tax on luxury goods on acquisition of taxable goods and/or taxable services to contractors in upstream oil and gas business activities. This regulation especially highlights the Article 3 where the provision regarding the contractor's right to obtain the reimbursement of VAT or VAT and sales tax on luxury goods (PPnBM) is adjusted to the current cooperation contract if it is regulated differently from the existing rules. Other provisions are regarding requirements for reimbursements, verification, and the reimbursement process. This regulation is in force since 16 August 2019.

6. Regulation : 118/PMK.02/2019 ([click here for 118/PMK.02/2019](#))
Date : 16 August 2019
Regarding : Tata cara pembayaran domestic market obligation fee, over lifting kontraktor dan/atau under lifting kontraktor dalam kegiatan usaha hulu minyak dan gas bumi (Procedure of payment for domestic market obligation fee, contractor over lifting and/or contractor under lifting in upstream oil and gas business activities)

Summary

Minister of Finance Regulation Number 118/PMK.02/2019 regulates the procedure of payment for domestic market obligation fees, contractor over lifting and/or contractor under lifting in upstream oil and gas business activities. This regulation regulates the terms of billing, request and payment for over lifting. There are also provisions for letters; request letter, submission letter, notification letter and confirmation letter. This regulation is in force since 16 August 2019.

7. Regulation : 116/PMK.04/2019 ([click here for 116/PMK.04/2019](#))
Date : 13 August 2019
Regarding : Pembebasan atau keringanan bea masuk dan/atau pembebasan pajak pertambahan nilai atas impor barang dalam rangka kontrak karya atau perjanjian karya perusahaan pertambangan batubara (Exemption from or relief of import duty and/or exemption from value added tax on imports of goods in the context of coal mining contract of work or exploitation work agreement)

Summary

Minister of Finance Regulation number 116/PMK.04/2019 regulates the exemption from or relief of import duty and/or exemption from value added tax on imports of goods in the context of coal mining contract of work or exploitation work agreement. In this regulation, exemption or relief of import duty on goods in the context of coal mining contract of work or exploitation work agreement can be given to the contractor whose contract includes the provisions regarding the granting of exemption or relief of import duty on imported goods in the context of contract of work or exploitation work agreement. Exemption or relief can also be given to the contractor whose contract includes provisions regarding the period for granting exemption or relief of import duties on imported goods in the context of contract of work or exploitation work agreement. There are also provisions regarding the alienation of imported goods, re-export of imported goods, and destruction of imported goods. Finally, there are provisions regarding the obligation to create and submit financial reports, audits, and sanctions. This regulation will be in force 60 days after the date of its promulgation.

8. Regulation : Permen ESDM 7/2019 ([click here for Permen ESDM 7/2019](#))
Date : 2 August 2019
Regarding : Pengelolaan dan pemanfaatan data minyak dan gas bumi
(Management and utilization of oil and gas data)

Summary

Minister of Energy and Mineral Resources Regulation Number 7 year 2019 regulates the management and utilization of oil and gas data. The regulation covers the data classification, data acquisition, and data confidentiality. There are also provisions regarding data submission, data management, data utilization, membership, data destruction, digitalization, and other provisions. This regulation is in force since 2 August 2019.

9. Regulation : 156 K/12/MEM/2019 ([click here for 156 K/12/MEM/2019](#))
Date : 2 September 2019
Regarding : Penetapan harga minyak mentah Indonesia bulan Agustus 2019
(Determination of Indonesian crude oil prices for August 2019)

Summary

Minister of Energy and Mineral Resources Decision Number 156 K/12/MEM/2019 specifically sets the average price of Indonesian crude oil for August 2019 at US\$ 57.27/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 regarding their formula, dated brent, and alpha.

10. Regulation : 154 K/30/MEM/2019 ([click here for 154 K/30/MEM/2019](#))
Date : 26 August 2019
Regarding : Pedoman pengenaan denda administratif keterlambatan pembangunan fasilitas pemurnian
(Guidelines for the imposition of administrative fines for delays in the development of refinery facilities)

Summary

The Minister of Energy and Resources Decision Number 154 K/30/MEM/2019 regulates the guidelines for the imposition of administrative fines for delays in the development of refinery facilities. The regulation states that if the percentage of physical progress in the construction of refinery facilities does not reach at least 90% of the plan, the Directorate General of Mineral and Coal will issue a recommendation to temporarily suspend the export approval from the company. There are provisions regarding the fines and the submission of the fines. This regulation is in force since 26 August 2019.

11. Regulation : BPH Migas 15/2019 ([click here for BPH Migas 15/2019](#))
Date : 24 July 2019
Regarding : Pengawasan investasi pada pembangunan pipa pengangkutan gas bumi
(Oversight of investment on the construction of the pipelines for natural gas transportation)

Summary

Oil and Gas Downstream Regulatory Agency Regulation number 15 year 2019 regulates the oversight of investment on the construction of the pipelines for natural gas transmission. This regulation is determined in order to control the construction of facilities, adjusting the transportation rates for additional facilities from business entities, ensuring certainty in the implementation of natural gas pipeline construction, and others. It also stipulates the regulatory agency that will carry out its supervision and duties in detail and administrative sanctions if the regulatory agency does not carry out its duties or perform any violation. This regulation is in force since 31 July 2019.

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