



## 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 : [Permen ESDM 16/2021](#)
- Date : 29 June 2021
- Title (Indonesian) : Perubahan atas Peraturan Menteri Energi dan Sumber Daya Mineral nomor 7 tahun 2020 tentang cara pemberian wilayah, perizinan, dan pelaporan pada kegiatan usaha pertambangan mineral dan batubara
- Title (English) : Amendment of Minister of Energy and Resources Regulation number 7 of 2020 concerning procedure for granting of areas, licensing, and reporting in mineral and coal mining business activities

#### **Summary**

Due to the need to improve effectiveness and efficiency in the implementation of priority granting of special mining business license areas and auctions for mining business activities, there are several changes that need to be made to the Regulation of the Minister of Energy and Resources Regulation number 7 of 2020 concerning mineral and coal mining business activities.

These changes include:

- Amendments to the provisions of paragraphs 4 and 5 in article 28 regarding the offer and granting of WIUPK (special mining business license area) to BUMN/BUMD (state-owned enterprises/regional-owned enterprises)
- The provisions of paragraph 3 article 32 which discusses the auction of WIUPK and participation of shares
- Article 3 paragraph 1 is amended, where this provision regulates the coordination that must be carried out when investing in shares
- Amendment in the provision of letter 1 in article 66 and added 1 letter, namely the letter m which discusses the number of BUMD shares ownership in IUPK (special mining business license) Holding Business Entities

This regulation is in effect since 29 June 2021.

2. Regulation : [Permendag 42/2021](#)
- Date : 29 June 2021
- Title (Indonesian) : Penetapan harga patokan ekspor atas produk pertambangan yang dikenakan bea keluar
- Title (English) : Determination of benchmark export prices for mining products subject to export duty

#### **Summary**

Minister of Trade Regulation Number 42 of 2021 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 is in force since 29 June 2021.

3. Regulation : [61/PMK.03/2021](#)
- Date : 15 June 2021

- Title (Indonesian) : Hak dan kewajiban perpajakan bagi pemegang izin usaha pertambangan, izin usaha pertambangan khusus, izin pertambangan rakyat, izin usaha pertambangan khusus operasi produksi sebagai kelanjutan operasi kontrak, atau kontrak karya dalam rangka kerja sama di bidang usaha pertambangan mineral
- Title (English) : Taxation rights and obligations for the holders of mining business license, special mining business license, people's mining license, special mining business license for production operation as the continuation of contract operation, or work contract in the context of cooperation in mineral mining business sector

### **Summary**

In order to implement the provisions in Article 17 of paragraph (4) from Government Regulation number 37 of 2018 concerning Tax Treatment and/or Non-Tax State Revenue in the Mineral Mining Business Sector, it is necessary to stipulate a Minister of Finance Regulations which regulates tax rights and obligations for mining business license holders. This regulation regulates the following matters:

- Terms related to mining business
- Rights and obligations of contract license holders
- Cooperation that can be carried out by contract license holders
- Tax rights and obligations for taxpayers holding contract license

This regulation is in effect since 15 June 2021.

4. Regulation : [62/PMK.03/2021](#)
- Date : 14 June 2021
- Title (Indonesian) : Tata cara pelibatan pemerintah pusat dan/atau pemerintah daerah dalam rangka pembebanan sumbangan dan/atau biaya pembangunan infrastruktur social yang dapat dikurangkan dari penghasilan bruto wajib pajak di bidang usaha pertambangan mineral
- Title (English) : Procedure for the involvement of central government and/or regional government in the context of contribution imposition and/or cost for social infrastructure development deductible from taxpayer's gross income in mineral mining business sector

### **Summary**

In order to implement the provisions in Article 11 of paragraph 3 from Government Regulation number 37 of 2018 concerning tax treatment and non-tax state revenues in the mineral mining business sector, it is necessary to stipulate a Minister of Finance Regulation which regulates how the government is involved in imposing infrastructure costs that can be deducted from the taxpayer's gross income in the mineral mining business. In this regulation there are provisions that regulate several things as below:

- The amount of taxable income for taxpayers who do business in the mineral mining sector
- Types of expenditure in the form of donations and/or certain fees
- Institutions that can receive the said donations and/or fees
- Provisions for the involvement of the central government and/or local governments in distributing these donations and/or costs
- Reporting requirements regarding receipt of donations and/or fees

This regulation is in effect since 7 June 2021.

5. Regulation : [Permen ESDM 8/2021](#)
- Date : 18 May 2021
- Title (Indonesian) : Tata cara penyusunan rencana umum ketenagalistrikan nasional dan rencana umum ketenagalistrikan daerah
- Title (English) : Procedure for the preparation of national electricity master plan and regional electricity master plan

**Summary**

This regulation is issued in order to implement the provisions of Article 24 paragraph 10 of Government Regulation number 25 of 2020 concerning the administration of the energy and mineral resources sector. In this regulation, the government outlines the national electricity general plan (RUKN) which functions as a reference and guide in preparing documents such as the regional electricity general plan (RUKD). In addition, this regulation also regulates the planning period for RUKN and RUKD as well as provisions regarding historical data used for planning. The period of evaluation and updating of RUKN and RUKD is also written in this regulation. This regulation is effective as of 18 May 2021 and revokes the Minister of Energy and Resources Regulation number 24 of 2015 concerning guidelines for the preparation of RUKN.

6. Regulation : [Permen ESDM 5/2021](#)
- Date : 1 April 2021
- Title (Indonesian) : Standar kegiatan usaha dan produk pada penyelenggaraan perizinan berusaha berbasis risiko sektor energi dan sumber daya mineral
- Title (English) : Standard for business activities and products in the implementation of risk-based business licensing in the energy and mineral resources sector

**Summary**

Energy and Mineral Resources Regulation number 5 of 2020 is the implementing regulation from the provisions of Article 6 paragraph 7 in Government Regulation Number 5 of 2021 regarding the implementation of risk-based business licensing. In this regulation, the Minister of Energy and Mineral Resources stipulates matters such as sub-sectors of oil, natural gas, electricity, minerals and coal, as well as new, renewable energy, and energy conservation. This regulation also stipulates that risk-based business licensing in the energy and mineral resources sector is carried out through an electronically integrated business licensing system. This regulation is in effect since 1 April 2021.

7. Regulation : [120.K/HK.02/MEM.M/2021](#)
- Date : 2 July 2021
- Title (Indonesian) : Penetapan harga minyak mentah Indonesia bulan Juni 2021
- Title (English) : Determination of Indonesian crude oil prices for June 2021

**Summary**

Minister of Energy and Mineral Resources Decision Number 120.K/HK.02/MEM.M/2021 specifically sets the average price of Indonesian crude oil for June 2021 at US\$ 70.23/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 2 July 2021.

8. Regulation : [121.K/HK.02/MEM.B/2021](#)
- Date : 2 July 2021
- Title : Harga mineral logam acuan dan harga batubara acuan untuk bulan Juli tahun 2021  
(Indonesian)
- Title (English) : Reference prices of metallic minerals and coal for July 2021

**Summary**

Minister of Energy and Resources Decision Number 121.K/HK.02/MEM.B/2021 covers reference prices of metal minerals for 20 types of metals and reference prices for coal for July 2021. The reference coal price is stipulated at USD/ton. As of May, the reference price for coal is at 115.35 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.

9. Regulation : [110.K/HK.02/MEM.B/2021](#)
- Date : 21 June 2021
- Title : Pedoman permohonan, evaluasi, dan pemberian wilayah izin usaha pertambangan mineral bukan logam, wilayah izin usaha pertambangan mineral bukan logam jenis tertentu, dan wilayah izin usaha pertambangan batuan  
(Indonesian)
- Title (English) : Guideline for application, evaluation, and granting of non-metal mineral mining business license areas, special non-metal mineral mining business license areas, and rock mining business license areas

**Summary**

Minister of Energy and Mineral Resources Decision number 110.K/HK.02/MEM.B/2021 is a regulation made to provide guidelines regarding the application, evaluation and granting of non-metal mining business license areas. The provisions in this regulation cover the area of commodities, submission of regional applications, delegation of authority, preparation of written reports, withdrawal of delegation of authority. This regulation is in effect since 21 June 2021 and revokes Appendix VI in the Minister of Energy and Mineral Resources Decision number 1798 K/30/MEM/2018 and its amendments and is now declared as no longer effective.

10. Regulation : [106.K/HK.02/MEM.B/2021](#)
- Date : 7 June 2021
- Title : Harga mineral logam acuan dan harga batubara acuan untuk bulan Juni 2021  
(Indonesian)
- Title (English) : Reference prices of metallic minerals and coal for June 2021

**Summary**

Minister of Energy and Resources Decision Number 106.K/HK.02/MEM.B/2021 covers reference prices of metal minerals for 20 types of metals and reference prices for coal for June 2021. The reference coal price is stipulated at USD/ton. As of May, the reference price for coal is at 100.33 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.

11. Regulation : [105.K/HK.02/MEM.M/2021](#)  
Date : 4 June 2021  
Title : Penetapan harga minyak mentah Indonesia bulan Mei 2021  
(Indonesian)  
Title (English) : Determination of Indonesian crude oil prices for May 2021

**Summary**

Minister of Energy and Mineral Resources Decision Number 105.K/HK.02/MEM.M/2021 specifically sets the average price of Indonesian crude oil for May 2021 at US\$ 65.49/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 June 2021.

12. Regulation : [104.K/HK.02/MEM.B/2021](#)  
Date : 4 June 2021  
Title : Pedoman pengenaan denda administratif keterlambatan pembangunan fasilitas pemurnian mineral logam pada masa pandemi corona virus disease 2019 (COVID-19)  
(Indonesian)  
Title (English) : Guideline for imposing administrative fines for delays construction of metal mineral refining facilities during the corona virus disease 2019 (COVID-19) pandemic

**Summary**

Based on the second dictum of the Minister of Energy and Mineral Resources Decision Number 46.K/MB.04/MEM.B/2021 concerning the recommendation for the sale of metallic minerals abroad during the COVID-19 pandemic, it is necessary to stipulate a decision of the Minister of Energy and Mineral Resources which determines the imposition of administrative fines for delays in the construction of metal mineral refining facilities during the COVID-19 pandemic. This regulation regulates the minimum percentage of physical progress in the construction of refining facilities within two evaluation periods. In addition, there are provisions that regulate the cumulative value of fines and the exception of fines, types of facility construction activities, formulas for calculating administrative fines, and reports on the results of verification from the progress of refining facilities construction. This regulation is in effect since 4 June 2021.



## Contact

### Clients & Markets

### Deloitte Indonesia

Email: [IDMarcomm@deloitte.com](mailto:IDMarcomm@deloitte.com)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

#### **About Deloitte Indonesia**

In Indonesia, services are provided by Imelda & Rekan, Deloitte Touche Solutions, PT Deloitte Konsultan Indonesia, PT Deloitte Advis Indonesia and KJPP Lauw & Rekan.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.