



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 25/2023](#)
- Date : 5 May 2023
- Title (Indonesian) : Wilayah Pertambangan
- Title (English) : Mining Area

Summary

To implement the provisions of Article 12, Article 17B, Article 19, Article 25, Article 33, Article 89, and Article 104B of Law Number 4 of 2009 concerning Mineral and Coal Mining as amended by law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal mining, it is necessary to stipulate Government Regulations on Mining Areas.

This Government Regulation standardize Mining Area (WP), which is an area that has Mineral and/or Coal potential and is not bound by government administrative boundaries which are part of the national spatial planning.

Investigation and Research activities in the context of discovery and inventory of geological data and information as well as the potential of Mineral and Coal are carried out in the Mining Law Area (WHP).

WP as part of WHP is the basis for the establishment of Mining Business activities.

This regulation is in effect starting 5 May 2023.

2. Regulation : [Permen ESDM 4/2023](#)
- Date : 6 April 2023
- Title (Indonesian) : Tata Cara Pengenaan, Penghitungan, Serta Pembayaran dan/atau Penyetoran Penerimaan Negara Bukan Pajak Pada Direktorat Jenderal Minyak dan Gas Bumi
- Title (English) : Procedures for Imposition, Calculation, and Payment and/or Deposit of Non-Tax State Revenue at the Directorate General of Oil and Gas

Summary

In order to regulate non-tax revenue as mandated in Article 7 Government Regulation Number 26 of 2022 concerning Types and Tariffs for Non-Tax State Revenues Applicable to the Ministry of Energy and Mineral Resources, this Minister of Energy and Mineral Resources regulation number 4 of 2023 was issued. Included in this regulation are the following concerns:

Procedures for the imposition of non-tax state revenues, including bid documents, joint study implementation guarantees, bid guarantees, signature bonus, as well as financial obligation in the case of contract termination;

Procedures for calculating non-tax state revenue, including bid documents, joint study implementation guarantees, bid guarantees, signature bonus, as well as financial obligation in the case of contract termination;

Procedures for payment/deposit of non-tax state revenues;

Monitoring on procedures for payment/deposit of non-tax state revenues;

Non-tax revenue reporting, Non-tax revenue supervision, and Transitional provisions.

This regulation is in effect starting 6 April 2023.

3. Regulation : [Permen ESDM 3/2023](#)
- Date : 27 March 2023
- Title (Indonesian) : Pedoman Umum Bantuan Pemerintah Dalam Program Konversi Sepeda Motor Dengan Penggerak Motor Bakar Menjadi Sepeda Motor Listrik Berbasis Baterai
- Title (English) : General Guidelines for Government Stipend in the Conversion Program of Motorcycles with Combustion Motor Engine to Battery-Based Electric Motorcycles

Summary

As an effort to increase energy efficiency and to decrease glass house emission, the government mandated a stipend in the conversion program of motorcycles with combustion motor engine to battery-based electric motorcycles. The Regulation of the Minister of Energy and Mineral Resources number 3 of 2023 provides a general guideline of the government stipend for the conversion process. Included in said regulation are:

The intended beneficiaries are individuals and will receive stipend through the Conversion Workshop.

Stipend is provided in the form of discounted conversion fees.

The conversion cost includes the cost of a brushless DC battery pack and customized controller, with a maximum amount of IDR 17,000,000 for motorcycles with the engine capacity of 110 cc - 150 cc.

Beneficiaries and Conversion Workshops must provide correct statements, letters, evidence, or other documents required.

The Director General verifies, monitors, and evaluates the conversion program.

Violation of the provisions by the Conversion Workshop will be sanctioned in the form of a warning to revocation of appointment.

This regulation is in effect starting 24 March 2023.

4. Regulation : [PMK 51/2023](#)
- Date : 2 May 2023
- Title (Indonesian) : Perubahan atas Peraturan Menteri Keuangan Nomor 118/PMK.02/2019 tentang Tata Cara Pembayaran Domestic Market Obligation Fee, Over Lifting Kontraktor dan/atau Under Lifting Kontraktor dalam Kegiatan Usaha Hulu Minyak dan Gas Bumi
- Title (English) : Amendment to Minister of Finance Regulation Number 118/PMK.02/2019 concerning Procedures for Payment of Domestic Market Obligation Fee, Over Lifting Contractor and/or Under Lifting Contractor in Upstream Oil and Gas Business Activities

Summary

In order to optimize state revenues as well as to meet the needs and developments in the implementation of upstream oil and gas business activities, it is necessary to make adjustments to the Regulation of the Minister of Finance Number 118/PMK.02/2019 concerning the Procedures for Payment of Domestic Market Obligation Fee, Over Lifting Contractor and/or Under Lifting Contractor in Upstream Oil and Gas Business Activities with the stipulation of Minister of Finance Regulation Number 51 of 2023. This changes to the Regulation of the Minister of Finance Number 118/PMK.02/2019 found in this regulation includes:

Amendment to provision number 11 of Article 1,
 Amendment to paragraph (2) of Article 7,
 Amendment to Article 8,
 Amendment to paragraph (1) and paragraph (3) of Article 9 and one paragraph is added, namely paragraph (6),
 Amendment to paragraph (1), paragraph (2), and paragraph (3) of Article 10 and inserted two paragraphs, (1a) and (1b) between paragraph (1) and (2),
 Amendment to paragraph (2), paragraph (3), paragraph (5), and paragraph (6) of Article 11 and paragraph (4) is omitted.

This regulation is in effect starting 4 May 2023.

5. Regulation : [PMK 38/2023](#)
- Date : 28 March 2023
- Title (Indonesian) : Pajak Pertambahan Nilai Atas Penyerahan Kendaraan Bermotor Listrik Berbasis Baterai Roda Empat Tertentu Dan Kendaraan Bermotor Listrik Berbasis Baterai Bus Tertentu Yang Ditanggung Pemerintah Tahun Anggaran 2023
- Title (English) : Value Added Tax on Delivery of Certain Four-Wheeled Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles Borne by the Government Fiscal Year 2023

Summary

This regulation of the Ministry of Finance was issued in order to support the government policy in accelerating the transition from energy based on fossil fuels to electric energy, as well as to increase public interest in purchasing battery-based electric motor vehicles. Several issues mentioned in this regulation are as follows:

The Value Added Tax payable on the delivery of the Certain Four-Wheeled Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles to the buyer is borne by the government for the fiscal year 2023.

Certain Four Wheel Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles must meet the criteria for the value of the Domestic Component Level.

The Value Added Tax payable on the delivery of Certain Four Wheel Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles is 11% (eleven percent) of the Selling Price.

Taxable Entrepreneurs who deliver Certain Four Wheel Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles are required to make tax invoices and realization reports.

The Director General of Taxes may collect the Value Added Tax payable, if data/information is obtained that does not match, is incorrect, or violates the rules.

Samples of the calculation of Delivery of Certain Four-Wheeled Battery-Based Electric Motor Vehicles and Certain Bus Battery-Based Electric Motor Vehicles Borne by the Government is enclosed in the addendum.

This regulation is in effect starting 1 April 2023.

6. Regulation : [91.K/MG.01/MEM.M/2023](#)

Date : 19 May 2023

Title (Indonesian) : Pengguna Gas Bumi Tertentu dan Harga Gas Bumi Tertentu di Bidang Industri

Title (English) : Specific Natural Gas Users and Specific Natural Gas Prices in the Industrial Sector

Summary

Based on Presidential Decree Number 40 of 2016, Minister of Energy and Mineral Resources Regulation Number 15 of 2022, and Minister of Energy and Mineral Resources Decree Number 134.K/HK.02/MEM.M/2021, this regulation on Specific Natural Gas Users and Specific Natural Gas Prices in the Industrial Sector was issued. Included in this Decree of the Minister of Energy and Mineral Resources are the following:

Determination of Specific Natural Gas Price consists of Natural Gas Volume, Adjustment Price, and Natural Gas distribution tariff consisting of transportation cost and midstream cost.

The volume of Natural Gas considers the availability of Natural Gas supply and/or the adequacy of the state's share of revenue.

The Special Task Force for Upstream Oil and Gas Business Activities, as well as the Aceh Oil and Gas Management Agency, coordinate the adjustment of Natural Gas Prices to the Cooperative Contract Contractors.

Various settlement agreements, decisions related to adjustments, transportation agreements, and/or administrative documents must be completed no later than 1 (one) month after this Ministerial Decree takes effect.

Certain Natural Gas Users are obliged to use the Natural Gas Volume at the Specified Natural Gas Price, to report their performance, to comply with laws and regulations, to comply with stipulation and evaluation guidelines, to submit data for evaluation, and to implement energy conservation.

Specified Natural Gas Users that do not comply with the relevant provisions and/or obligations will be reviewed and may be subject to administrative sanctions.

This regulation is in effect starting 19 May 2023.

7. Regulation : [84.K/MB.01/MEM.B/2023](#)

Date : 11 May 2023

Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Mei Tahun 2023

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

Summary

The Decree of the Minister of Energy and Resources number 84.K/MB.01/MEM.B/2023 establishes the reference price of metal minerals and reference price of coal for May 2023. 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 206.16 USD/ton,

Reference price for Coal I (5.200 GAR) is 119.64 USD/ton,

Reference price for Coal II (4.200 GAR) is 82.23 USD/ton.

This regulation is in effect starting 11 May 2023.

8. Regulation : [71.K/MB.01/MEM.B/2023](#)
- Date : 17 April 2023
- Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan April Tahun 2023
- Title (English) : Reference Metal Mineral Prices and Reference Coal Prices for April 2023

Summary

The Decree of the Minister of Energy and Resources number 71.K/MB.01/MEM.B/2023 establishes the reference price of metal minerals and reference price of coal for April 2023. 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 265.26 USD/ton,

Reference price for Coal I (5.200 GAR) is 102.53 USD/ton,

Reference price for Coal II (4.200 GAR) is 87.81 USD/ton.

This regulation is in effect starting 17 April 2023.

9. Regulation : [Kepmendag No 936 Tahun 2023](#)
- Date : 27 April 2023
- Title (Indonesian) : Harga Patokan Ekspor Atas Produk Pertambangan Yang Dikenakan Bea Keluar
- Title (English) : Export Benchmark Price of Mining Products Subject to Export Duty

Summary

In order to carry out the Government Regulation Number 8 of 2023 concerning Procedures for Determining the Export Benchmark Price of Mining Products Subject to Export Duty, this regulation is constituted to determine the export benchmark price of mining products 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 of 1 May 2023 – 31 May 2023. Mining products included in this regulation are as follows:

Copper concentrate with a variety of level of contents,

Hematite, magnetite, laterite iron concentrates with a variety of level of contents,

Manganese concentrate, Lead concentrate, Zinc concentrate with a variety of level of contents,

Iron sand concentrate and pellet (lamella magnetite-ilmenite) with a variety of level of contents,

Ilmenite concentrate, Rutile concentrate, Washed bauxite with a variety of level of contents,

This regulation is in effect starting 1 May 2023.



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