



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 : [301.K/MB.01/MEM.S/2024](#)
- Date : 18 November 2024
- Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan November 2024
- Title (English) : Reference Metal Mineral Price and Reference Coal Price for November 2024

Summary

The Decree of the Minister of Energy and Resources number 301.K/MB.01/MEM.S/2024 establishes the reference price of metal minerals and reference price of coal for November 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 114,43 USD/ton,

Reference price for Coal I (5.300 GAR) is 83,46 USD/ton,

Reference price for Coal II (4.100 GAR) is 51,91 USD/ton.

Reference price for Coal III (3.400 GAR) is 35,57 USD/ton.

2. Regulation : [294.K/MG.01/MEM.M/2024](#)
- Date : 14 November 2024
- Title (Indonesian) : Perubahan atas Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 61.K/MG.01/MEM.M/2022 tentang Formula Harga Minyak Mentah Indonesia
- Title (English) : Amendment to the Decree of the Minister of Energy and Mineral Resources Number 61.K/MG.01/MEM.M/2022 concerning the Indonesian Crude Oil Price Formula

Summary

The Ministerial Decree No. 294.K/MG.01/MEM.M/2024 revises the formula used to determine Indonesia's Crude Oil Price (ICP). This decision was issued as part of the government's efforts to keep the pricing mechanism accurate, competitive, and reflective of international market conditions. The revised formula adjusts pricing variables such as global benchmarks like Brent crude prices and incorporates quality differentials specific to Indonesian crude types. This ensures that the pricing accurately represents market dynamics while accounting for the unique characteristics of locally produced crude oil. The decision includes a provision for periodic evaluations by the Indonesian Crude Oil Pricing Team. These reviews aim to adapt the formula to changing market conditions, ensuring it remains relevant and competitive for all stakeholders, including domestic producers and international buyers. This regulation is pivotal for maintaining market competitiveness while ensuring fair practices within Indonesia's energy sector. For further details, refer to the official publication on the Ministry of Energy and Mineral Resources' portal.

3. Regulation : [284.K/MB.01/MEM.B/2024](#)
- Date : 5 November 2024
- Title (Indonesian) : Formula Perhitungan Harga Kompensasi Data Informasi Wilayah Izin Usaha Pertambangan dan Wilayah Izin Usaha Pertambangan Khusus Mineral Logam dan Batubara
- Title (English) : Calculation Formula for Compensation Price of Data Information on Mining Business Permit Areas and Special Mining Business Permit Areas for Metal Minerals and Coal

Summary

This decree introduces a standardized formula for calculating the compensation value for data and information related to Mining Business Permit Areas (WIUP) and Special Mining Business Permit Areas (WIUPK) for metallic minerals and coal. This measure aims to ensure uniformity, transparency, and fairness while optimizing state revenue from mining activities. Furthermore, it establishes a revised methodology that considers critical factors, including the economic potential of resources, geographical attributes, and prevailing market conditions. These adjustments ensure that the calculated compensation values accurately reflect the true worth of mining areas, aligning with Indonesia's strategic goals for the mineral and coal sector.

The regulation also aligns with Presidential Regulation No. 76 of 2024, which focuses on efficient land allocation for investment structuring. This alignment enhances the consistency of compensation practices with broader national policies, ensuring equitable contributions from mining enterprises to state revenues. Mining companies are required to comply with these new provisions when obtaining or renewing permits. By adopting this standardized approach, the government seeks to promote fair business practices and encourage sustainable management of mineral and coal resources.

4. Regulation : [277.K/MB.01/MEM.B/2024](#)
- Date : 24 October 2024
- Title (Indonesian) : Harga Mineral Logam Acuan dan Harga Batubara Acuan Untuk Bulan Oktober 2024
- Title (English) : Reference Metal Mineral Price and Reference Coal Price for October 2024

Summary

The Decree of the Minister of Energy and Resources number 277.K/MB.01/MEM.B/2024 establishes the reference price of metal minerals and reference price of coal for October 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 131,17 USD/ton,

Reference price for Coal I (5.300 GAR) is 79,69 USD/ton,

Reference price for Coal II (4.100 GAR) is 52,41 USD/ton.

Reference price for Coal III (3.400 GAR) is 34,67 USD/ton.

5. Regulation : [255.K/MG.01/MEM.M/2024](#)
- Date : 9 October 2024
- Title (Indonesian) : Perubahan atas Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 91.K/MG.01/MEM.M/2024 tentang Pengguna Gas Bumi Tertentu dan Harga Gas Bumi Tertentu di Bidang Industri
- Title (English) : Amendment to the Decree of the Minister of Energy and Mineral Resources Number 91.K/MG.01/MEM.M/2024 concerning Certain Natural Gas Users and Certain Natural Gas Prices in the Industrial Sector

Summary

This regulation revises the earlier Decree No. 91.K/MG.01/MEM.M/2023 regarding specific natural gas users and pricing in the industrial sector. There is an adjustment of beneficiaries where the status of nine industries previously listed as specific natural gas users has been revoked and no longer qualify for the subsidized pricing due to not meeting updated criteria. There are also four new industries that have been added to the list of specific natural gas users, granting them access to regulated pricing tailored to their operational needs. This regulation continues to support specific industrial sectors identified as crucial to the economy, such as fertilizers, petrochemicals, and steel, by offering competitive gas pricing. Adjustments of evaluation and distribution were made following a review led by the Ministry of Industry, ensuring that the gas distribution policy remains effective and aligned with industrial priorities.

6. Regulation : [353.K/MG.03/DJM/2024](#)
- Date : 1 October 2024
- Title (Indonesian) : Harga Minyak Mentah Indonesia Bulan September 2024
- Title (English) : Indonesia Crude Oil Price for September 2024

Summary

This regulation sets the price of Indonesian crude oil in September 2024, which includes prices for Primary Crude Oil and Other Crude Oil. The Other Crude Oil Price consists of Permanent Crude Oil Price and Temporary Crude Oil Price. The average price of Indonesian Crude Oil Price for September 2024 is US\$ 72,54/barrel. This regulation also contains an appendix that describes the prices of various types of main crude oil, permanent crude oil, and temporary crude oil, along with their formulas.

7. Regulation : [230.K/MG.01/MEM.M/2024](#)
- Date : 19 September 2024
- Title (Indonesian) : Pedoman Pelaksanaan dan Komponen Kontrak Bagi Hasil Gross Split
- Title (English) : Guidelines for Implementation and Components of Gross Split Profit Sharing Contracts

Summary

The Ministerial Decree 230.K/MG.01/MEM.M/2024 establishes guidelines for the implementation and components of the Gross Split Production Sharing Contracts (PSC) for oil and gas operations in Indonesia. Regarding Gross Split Mechanism, the contract outlines profit-sharing based on gross production, without reimbursement for operational costs (cost recovery), while adjustments to the base split are determined by progressive and variable components, such as reserve volume, field location, infrastructure availability, and market conditions for oil and gas prices. This decree also reduces additional parameters used in profit-sharing adjustments from 13 to 5 to make the framework more straightforward and easier to implement. Furthermore, contractors can choose between Gross Split or Cost Recovery schemes depending on their operational preferences. This flexibility aims to attract more investors and increase production efficiency.

This regulation is applicable to new contracts, field extensions, or the management of expiring blocks, particularly for both conventional and unconventional oil and gas fields. Specific benefits, such as higher profit-sharing percentages, are provided for non-conventional fields to encourage development.



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