



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 3/2025](#)
- Date : 23 January 2025
- Title (Indonesian) : Konservasi Energi Oleh Pemerintah dan Pemerintah Daerah
- Title (English) : Energy Conservation by Central and Regional Government

Summary

Ministerial Regulation of Energy and Mineral Resources (ESDM) Number 3 of 2025 on Energy Conservation by Central and Regional Governments outlines the responsibilities and strategies for energy conservation at both national and regional levels in Indonesia. This regulation serves as an implementation of Article 44 of Government Regulation Number 33 of 2023 concerning Energy Conservation. The regulation mandates that both central and regional governments conduct regular energy audits, implement energy management systems, and develop as well as apply energy-efficient technologies. It also emphasizes the importance of human resource development through training and certification programs in the field of energy conservation. By enforcing this regulation, the Indonesian government aims to enhance energy efficiency within the public sector, reduce overall energy consumption, and preserve national energy resources. This initiative is a critical component of achieving national energy conservation targets and promoting sustainable development across the country.

2. Regulation : [PERMEN ESDM 2/2025](#)
- Date : 8 January 2025
- Title (Indonesian) : Perubahan Kedua atas Peraturan Menteri Energi dan Sumber Daya Mineral Nomor 27 Tahun 2017 tentang Tingkat Mutu Pelayanan dan Biaya Yang Terkait Dengan Penyaluran Tenaga Listrik Oleh PT Perusahaan Listrik Negara (Persero)
- Title (English) : Second Amendment to Ministerial Regulation Number 27 of 2017 concerning Service Quality Standards and Costs Related to the Distribution of Electric Power by PT Perusahaan Listrik Negara (Persero) (PLN)

Summary

This regulation introduces significant updates to enhance the quality and efficiency of electricity distribution services in Indonesia. This amendment addresses the need for improved service standards and cost structures in line with evolving industry demands and consumer expectations. Key revisions in this regulation include adjustments to the definitions and scope of service quality metrics, ensuring a more comprehensive assessment of PT PLN's performance. The regulation also revises the procedures and responsibilities for monitoring and reporting service quality, emphasizing transparency and accountability in electricity distribution. Additionally, it updates the cost components associated with electricity distribution, aiming to balance affordability for consumers with the financial sustainability of PT PLN. By implementing these changes, the Indonesian government aims to foster a more reliable and efficient electricity supply, contributing to national energy security and supporting economic development. The regulation reflects a commitment to continuous improvement in public utility services, aligning with international best practices and the country's sustainable energy goals.

3. Regulation : [PERMEN ESDM 1/2025](#)
- Date : 2 January 2025
- Title (Indonesian) : Perubahan atas Peraturan Menteri Energi dan Sumber Daya Mineral Nomor 37 Tahun 2016 tentang Ketentuan Penawaran Participating Interest 10 % (Sepuluh Persen) Pada Wilayah Kerja Minyak dan Gas Bumi
- Title (English) : Amendment to Ministerial Regulation Number 37 of 2016 concerning Provisions on Offering a 10% Participating Interest in Oil and Gas Working Areas

Summary

This regulation amending Provisions on Offering a 10% Participating Interest in Oil and Gas Working Areas introduces significant changes to enhance regional involvement in Indonesia's oil and gas sector. This amendment aims to optimize the roles of local governments and national interests, while also increasing the attractiveness of investment in upstream oil and gas activities through the allocation of a 10% participating interest in cooperation contracts.

The key revisions focus on streamlining the process of offering and managing the 10% participating interest to regional-owned enterprises (BUMD). These changes are designed to ensure that local entities can effectively participate in and benefit from oil and gas projects within their regions. By fostering greater local involvement, the regulation seeks to promote equitable resource distribution and bolster regional economic development.

Additionally, the amendment addresses financial and administrative aspects to facilitate smoother collaboration between central and regional stakeholders. This includes clarifying the roles and responsibilities of various parties involved, as well as establishing clear guidelines for the transfer and management of the participating interest. These measures aim to create a more transparent and efficient framework, thereby enhancing investor confidence and supporting the sustainable growth of Indonesia's oil and gas industry.

4. Regulation : [PERMEN ESDM 16/2024](#)
- Date : 20 December 2024
- Title (Indonesian) : Penyelenggaraan Kegiatan Penyimpanan Karbon pada Wilayah Izin Penyimpanan Karbon Dalam Rangka Kegiatan Penangkapan dan Penyimpanan Karbon
- Title (English) : Implementation of Carbon Storage Activities in Carbon Storage Permit Areas for Carbon Capture and Storage Activities

Summary

Ministerial Regulation of Energy and Mineral Resources (ESDM) Number 16 of 2024 on the Implementation of Carbon Storage Activities in Carbon Storage Permit Areas for Carbon Capture and Storage Activities establishes a comprehensive framework for conducting carbon storage operations within designated permit areas in Indonesia. This regulation serves as an implementation of specific provisions outlined in Presidential Regulation Number 14 of 2024 concerning the organization of carbon capture and storage activities.

The regulation delineates the procedures for preparing, designating, and offering carbon storage permit areas, aiming to facilitate the systematic development of carbon capture and storage (CCS) initiatives. It outlines the requirements for obtaining permits, including technical, environmental, and financial criteria that applicants must fulfill to engage in carbon storage activities. Additionally, the regulation emphasizes the importance of monitoring and reporting mechanisms to ensure the safety and effectiveness of carbon storage operations. It mandates regular assessments and compliance with established environmental standards to mitigate potential risks associated with carbon storage.

By implementing this regulation, the Indonesian government aims to promote the adoption of CCS technologies as a strategic measure to reduce greenhouse gas emissions, thereby contributing to national and global climate change mitigation efforts. The regulation reflects Indonesia's commitment to sustainable energy practices and environmental stewardship.

5. Regulation : [PMK 5/2025](#)
- Date : 21 January 2025
- Title (Indonesian) : Tata Cara Pemberian dan Pelaksanaan Penjaminan Pemerintah serta Penanggungan Risiko dalam rangka Percepatan Pengembangan Energi Terbarukan untuk Penyediaan Tenaga Listrik
- Title (English) : Procedures for Granting and Implementing Government Guarantees and Risk Bearing in the Context of Accelerating Renewable Energy Development for Electricity Supply

Summary

This regulation on the Procedures for Granting and Implementing Government Guarantees and Risk Bearing in the Context of Accelerating Renewable Energy Development for Electricity Supply establishes a comprehensive framework to support and expedite the growth of renewable energy projects in Indonesia's power sector. This regulation serves as an implementation of specific provisions outlined in Presidential Regulation Number 112 of 2022 concerning the acceleration of renewable energy development for electricity supply.

The regulation outlines detailed procedures for the provision of government guarantees to mitigate payment default risks associated with PT PLN (Persero) in power purchase agreements utilizing renewable energy sources. It also addresses the mechanisms for government guarantees concerning default risks of state-owned enterprises involved in developing renewable energy power plants and default risks of platform managers in energy transition funding. Additionally, the regulation specifies the processes for risk bearing and guarantees related to geothermal development support, including the management of premiums and budgeting for government guarantee obligations.

By implementing this regulation, the Indonesian government aims to enhance investor confidence, reduce financial uncertainties, and promote the rapid expansion of renewable energy infrastructure. This initiative aligns with national objectives to increase the share of renewable energy in the country's energy mix, ensuring a sustainable and resilient electricity supply for the future.

6. Regulation : [PMK 3/2025](#)
- Date : 21 January 2025
- Title (Indonesian) : Jenis dan Tarif atas Jenis Penerimaan Negara Bukan Pajak Kebutuhan Mendesak Berupa Denda Administratif Keterlambatan dan Jaminan Kesungguhan Pembangunan Fasilitas Pemurnian Mineral Logam Dalam Negeri pada Kementerian Energi dan Sumber Daya Mineral
- Title (English) : Types and Tariffs of Urgent Non-Tax State Revenue in the Form of Administrative Fines for Delays and Commitment Guarantees for the Development of Domestic Metal Mineral Refining Facilities at the Ministry of Energy and Mineral Resources

Summary

This Ministerial Regulation of Finance (PMK) introduces a structured mechanism to ensure compliance with Indonesia's mineral refining policies. This regulation is part of the government's broader effort to accelerate the domestic processing and refining of minerals, in line with national resource management strategies aimed at increasing the added value of Indonesia's mineral resources.

The regulation establishes two primary components of non-tax state revenue: administrative fines for project delays and commitment guarantees for facility development. The administrative fines apply to companies that fail to meet the prescribed timelines for constructing metal mineral refining facilities. These fines are intended to enforce discipline among mining companies and ensure that refining projects progress according to schedule. Meanwhile, the commitment guarantee serves as a financial assurance, requiring companies to deposit a specified amount as proof of their serious intent to complete refining projects. If a company fails to fulfill its obligations, the government may claim the guarantee as state revenue.

The tariff structure and calculation methods for these revenues are detailed within the regulation, providing clarity on the financial obligations of mining companies. The regulation also outlines monitoring and enforcement mechanisms to ensure adherence to the stipulated requirements. By implementing these measures, the Indonesian government seeks to strengthen the governance of mineral resource management, encourage investment in domestic refining capabilities, and reduce reliance on raw mineral exports. Through this regulation, the Ministry of Energy and Mineral Resources and the Ministry of Finance aim to reinforce Indonesia's commitment to developing a sustainable and value-added mining industry. The initiative is expected to support economic growth, create jobs, and enhance Indonesia's position in the global mineral supply chain.

7. Regulation : [PMK 139/2024](#)

Date : 31 December 2024

Title (Indonesian) : Tata Cara Pembayaran atas Tagihan kepada Pemerintah dalam Kegiatan Usaha Hulu Minyak dan Gas Bumi

Title (English) : Procedures for Payment of Claims to the Government in Upstream Oil and Gas Business Activities

Summary

This regulation establishes a comprehensive framework for managing financial transactions between the government and entities involved in Indonesia's upstream oil and gas sector. This regulation aims to streamline payment processes, enhance transparency, and ensure compliance with financial obligations. By implementing this regulation, the Indonesian government seeks to foster a more efficient and transparent financial environment within the upstream oil and gas industry, promoting better governance and facilitating smoother interactions between the government and industry stakeholders.

Key components of the regulation include detailed procedures for the reimbursement of Value-Added Tax (VAT) and Luxury Goods Sales Tax (PPnBM) to contractors, outlining the necessary documentation and verification processes to facilitate timely and accurate reimbursements. Additionally, the regulation addresses the payment mechanisms for Domestic Market Obligation (DMO) fees and underlifting scenarios, specifying the calculation methods and payment schedules to ensure clarity and consistency in financial dealings. The regulation also delineates the process for compensating entities responsible for the sale of the government's share of oil and gas production, establishing clear guidelines to maintain accountability and efficiency in revenue management. Furthermore, it provides directives for the settlement of taxes related to surface water, groundwater, and specific goods and services associated with electricity, ensuring that all tax obligations are met in accordance with national laws.



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