MINISTER OF ENERGY AND MINERAL RESOURCES
THE REPUBLIC OF INDONESIA

REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCE
THE REPUBLIC OF INDONESIA
NUMBER 26 YEAR 2018

REGARDING
IMPLEMENTATION OF THE GOOD MINING PRACTICES AND SUPERVISION OF
THE MINERAL AND COAL MINING

BY THE BLESSING OF THE ONE AND ONLY ALMIGHTY GOD

MINISTER OF ENERGY AND MINERAL RESOURCES
THE REPUBLIC OF INDONESIA

Considering : that in order to provide the guidelines for
the implementation of good mining engineering
practices as referred to in Article 95 letter
a and Article 96 of Law Number 4 Year 2009
regarding Mineral and Coal Mining as well as
to implementation the provision of Article 35 of the Government Regulation Number 55 Year 2010 regarding Fostering and Supervision of the Implementation of Mineral and Coal Mining Business Management, it is necessary to stipulated of the Regulation of Minister of Energy and Mineral Resources regarding Good Mining Practices and Supervision of Mineral and Coal Mining;

In view of:

1. Law Number 4 Year 2009 regarding Mineral and Coal Mining (State Gazette of the Republic of Indonesia Year 2009 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 49);

2. Law Number 32 Year 2009 regarding Environmental Protection and Management (State Gazette of the Republic of Indonesia Year 2009 Number 140, Supplement to the State Gazette of the Republic of Indonesia Number 5059);

3. Law Number 23 Year 2014 regarding Regional Government (State Gazette of the Republic of Indonesia Year 2014 Number 244,
Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times and most recently by Law Number 9 Year 2015 regarding Second Amendment to the Law Number 23 Year 2014 regarding Regional Government (State Gazette of the Republic of Indonesia Year 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);

4. Government Regulation Number 55 Year 2010 regarding Fostering and Supervision over the Implementation of Mineral and Coal Mining Management (State Gazette of the Republic of Indonesia Year 2010 Number 85, Supplement to the State Gazette of the Republic of Indonesia Number 5142);

5. Government Regulation Number 78 Year 2010 regarding Reclamation and Post Mining (State Gazette of the Republic of Indonesia Year 2010 Number 138, Supplement to the State Gazette of the Republic of Indonesia Number 5172);
HEREBY DECIDES:

Stipulates : REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES REGARDING IMPLEMENTATION OF THE GOOD MINING PRACTICES AND SUPERVISION OF THE MINERAL AND COAL MINING.
CHAPTER I
GENERAL PROVISIONS

Article 1

In this Regulation of Minister, the following definitions shall be given to the following terms:

1. Mining Business License hereinafter abbreviated to as Mining Business License (IUP), Special Mining Business License hereinafter abbreviated to as IUPK, Mining Business License Area hereinafter abbreviated to as WIUP, Special Mining Business License Area hereinafter abbreviated to as WIUPK, People Mining License hereinafter abbreviated to as IPR, Mineral, Coal, General Investigation, Exploration, Feasibility Study, Construction, Transportation, and Sales shall be as referred to in Law Number 4 Year 2009 regarding Mineral and Coal Mining.

2. Exploration Mining Business License means business license so duly granted to perform a activity phase of general investigation, exploration and feasibility study.

3. Exploration Special Mining Business License means business license so duly granted to perform a activity phase of
general investigation, exploration and feasibility study within the special mining business license area Special Mining Business License Area (WIUPK);

4. Mining Business License (IUP) for Production Operation, means business license so duly granted after the finished of the implementation of Exploration Mining Business License (IUP) to perform the phase of production operation activity.

5. Special Mining Business License (IUPK) for Production Operation, means business license so duly granted after the finished of the implementation of Exploration Special Mining Business License (IUPK) to perform the phase of production operation activity within the special mining business license area Special Mining Business License Area (WIUPK).

6. Mining Business License (IUP) for Production Operation specially to transportation and sales hereinafter referred to as Mining Business License (IUP) for Production Operation specially to transportation and sales, means a business permit granted to the Company for the purchase, transport, and to sell the mineral and coal mining commodity.
7. Mining Service Business License, hereinafter abbreviated to as IUJP means license so duly granted to perform the core mining service business activities related with the phase and/or mining business activity part.

8. The processing and/or purification activity shall mean mining business activities to improve the quality of mineral and/or coal, utilize and obtain its derived mineral.

9. Mining Business means an activity for the purpose of mineral or coal business undertaking comprising phase of general investigation, exploration, feasibility study, construction, mine, processing and/or purification, transportation and selling and post-mining activities.

10. Mine means part of mining business activities to produce mineral and/or coal and its derived mineral.

11. The Annual Work and Budget Plan, hereinafter referred to as Annual Work Plan and Budget (RKAB) shall mean the Work and Budget Plan for the current year in business activities of mineral and coal mining, which include business, engineering, and environmental aspects.

12. Reclamation means an activity so duly conducted in the
course of mining business phase to arrange, recover and repair or improve the quality of environment and echo system to be re-functioned in accordance with the purpose.

13. Post-mining activity hereinafter referred to as Post-mining means planned, systematic and continued activities after the completion of mining business activities in whole or in part in order to recover the function of natural environment and social function pursuant to local condition throughout mining area.


15. Chief Inspector of Mines (Kepala Inspektur Tambang), hereinafter referred to as Chief Inspector of Mines (KaIT), shall mean an officially ex officio officer who serves as the Director with the main duties and functions in the field of Minerals and Coal mining techniques and environment at the ministry conducting government affairs in the field of Minerals and Coal mining.

16. Inspector of Mines shall mean any civil state apparatus assigned, responsible for, and authorized to exercise any
required supervision on the implementation of the good mining engineering practices as well as the technical principle of Processing and/or Purification.

17. Designated Officer shall mean any civil state apparatus assigned, responsible for, and authorized to exercise any required supervision on the implementation of the governance of mining business as well as the governance of Processing and/or Purification business.

18. Head of Mining Engineering, hereinafter abbreviated as Head of Mining Engineering (KTT), shall mean a person who has the highest position in the organization structure of the field of mining chaired and responsible for carrying out any mining operations in accordance with the good mining engineering practices.

19. Head of Underground Mining or Kepala Tambang Bawah Tanah, hereinafter abbreviated as Head of Underground Mining (KTBT), shall mean a person who has the highest position in the underground mining structure chaired and responsible for carrying out any underground mining operations in accordance with the good mining engineering practices.

20. Engineering and Environment responsible person hereinafter
abbreviated as PTL, shall mean a person who has the highest position in the field organization structure chaired and responsible for carrying out any Processing and/or Purification activity in accordance with the good mining engineering practices.

21. Minister shall mean the minister who conducts the government affairs in the field of energy and mineral resources.

22. Director General shall mean the director general who has the duty of organizing the formulation and implementation of policies in the field of fostering, controlling and supervising mineral and coal activities.

Article 2

The Scope of this Ministerial Regulation stipulates:

a. the implementation of good mining practices;

b. the supervision on the management of Mining Business; and

c. the supervision on the implementation of Mining Business activities.

Article 3
(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall, in every stage of Mining Business activities, apply the good mining practices.

(2) Such good mining practices as referred to in paragraph (1) shall include:
   a. good mining engineering practices; and
   b. governance of mining business.

(3) Good mining engineering practices as referred to in paragraph (2) letter a shall include the implementation of:
   a. mining techniques;
   b. Mining and Coal conservation;
   c. mining occupational safety and health;
   d. mining operational safety;
   e. mining, Reclamation, Post-mining, and Post-operation environmental management; and
   f. technology utilization, engineering capability, design, development, and application of mining technology.

(4) Such governance of mining business as referred to in
paragraph (2) letter b shall include the implementation of:

a. marketing;
b. finance;
c. data management;
d. utilization of goods, services, and technology;
e. development of mining technical personnel;
f. development and empowerment of local communities;
g. any other activities in the field of Mining Business that concerns public interest;
h. implementation of activities in accordance with Mining Business License (IUP) or Special Mining Business License (IUPK); and
i. quantity, type, and quality of Mining Business results.

Article 4

(1) Holders of Mining Business License (IUP) for Production Operation Specifically for Processing and/or Purification, shall, in Processing and/or Purification activities, apply the good mining practices.

(2) Such good mining practices for Processing and/or Purification activity as referred to in paragraph (1) shall include:
a. Processing and/or Purification engineering practices; and
b. governance of Processing and/or Purification business.

(3) Processing and/or Purification engineering practices; and as referred to in paragraph (2) letter a shall include the implementation of:
   a. Processing and/or Purification activity techniques;
   b. Processing and/or Purification safety;
   c. environmental management and post-operation;
   d. Mineral and Coal conservation.

(4) Such governance of Processing and/or Purification business as referred to in paragraph (2) letter b shall include the implementation of:
   a. marketing;
   b. finance;
   c. data management;
   d. utilization of goods, services, and technology;
   e. development of mining technical personnel;
   f. social and environment responsibility; and
   g. quantity, type, and quality of Processing and/or Purification business results.

Article 5
(1) The holders of Mining Service Business License (IUJP) shall be implemented the Good mining practices in accordance with the field of business.

(2) Such good mining practices as referred to in paragraph (1) shall include:
   a. good mining services business engineering practices; and
   b. governance of mining services business.

(3) Such good mining services business engineering practices as referred to in paragraph (2) letter a shall include:
   a. environmental management, mining safety, Mineral and Coal conservation, and mining techniques in accordance with the field of business; and
   b. obligation to appoint an operational responsible person as the highest leader on field.

(4) The governance of mining services business as referred to in paragraph (2) letter b shall include:
   a. prioritization of domestic products;
   b. prioritization of local subcontractors in accordance with their competence;
   c. prioritization of local workforce; and
   d. optimization of local expenditures of both goods and
mining services.

(5) The Minister shall stipulate guidelines for the implementation of good mining practices for any holders of Mining Service Business License (IUJP) as referred to in paragraph (2).

Article 6

Any holders of People Mining License (IPR) shall be required to apply the good mining engineering practices and the governance of mining business in accordance with their activities.

CHAPTER II
IMPLEMENTATION OF GOOD MINING ENGINEERING PRACTICES

Part One
General

Article 7

(1) In the implementation of the good mining engineering practices as referred to in Article 3 paragraph (2) letter a, the holders of Exploration Mining Business
License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall:

a. appoint a Head of Mining Engineering (KTT) as the highest leader on field to obtain an approval from Chief Inspector of Mines (KaIT); and

b. have competent mining technical personnel in accordance with the provisions of laws and regulations.

(2) In the event that a holder of Mining Business License (IUP) for Production Operation or Special Mining Business License (IUPK) for Production Operation carries out any Mining activities based on underground Mining method, such holder of Mining Business License (IUP) for Production Operation or Special Mining Business License (IUPK) for Production Operation shall appoint a Head of Underground Mining (KTBT) to obtain approval from Chief Inspector of Mines (KaIT).

(3) Head of Underground Mining (KTBT) as referred to in paragraph (2) shall be responsible to Head of Mining Engineering (KTT).
(4) Head of Mining Engineering (KTT) as referred to in paragraph (1) letter a and Head of Underground Mining (KTBT) as referred to in paragraph (2) shall have competence in the field of mining techniques.

(5) The Minister shall determine the competence of Head of Mining Engineering (KTT), Head of Underground Mining (KTBT) and mining technical personnel as referred to in paragraphs (1) and (2).

Article 8

(1) In the implementation of the Processing and/or Purification engineering practices as referred to in Article 4 paragraph (2) letter a, a holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall:
   a. appoint a Engineering and Environment responsible person (PTL) as the highest leader on field to obtain an approval from Chief Inspector of Mines (KaIT); and
   b. have competent mining technical personnel in accordance with the provisions of laws and regulations.

(2) Engineering and Environment responsible person (PTL) as
referred to in paragraph (1) letter a shall have competence of the technical aspect of the Processing and/or Purification.

Article 9

(1) In the implementation of good mining services business engineering practice as referred to in Article 5 paragraph (2) letter a, a holder of Mining Service Business License (IUJP) shall:

a. appoint a operational responsible person on field to obtain an approval from Head of Mining Engineering (KTT); and

b. have competent mining technical personnel in accordance with the provisions of laws and regulations

(2) Such operational responsible person as referred to in paragraph (1) letter a and mining technical personnel as referred to in paragraph (1) letter b shall have technical competence in accordance with the field of business of the relevant Mining Service Business License (IUJP).

Article 10
(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation prior to starting their business activities shall be required to appoint a Head of Mining Engineering (KTT).

(2) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification prior to starting their business activities shall appoint a Engineering and Environment responsible person (PTL).

(3) Such Head of Mining Engineering (KTT) and Engineering and Environment responsible person (PTL) as referred to in paragraph (1) and paragraph (2) shall obtain an approval from Chief Inspector of Mines (KaIT).

Article 11

The Minister shall stipulate the guidelines for submitting applications and conducting evaluation and ratification and shall also stipulate the competence standards for Head of Mining Engineering (KTT), Head of Underground Mining (KTBT), Engineering and Environment responsible person (PTL), and operational responsible person as referred to in Article 7 to
Article 10.

Part Two
Mining Techniques

Article 12

(1) In the implementation of such mining techniques as referred to in Article 3 paragraph (3) letter a, holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall:

a. use the Exploration, Mining, Processing and/or Purification, and Transportation methods in accordance with the Annual Work Plan and Budget (RKAB) approval;

b. use any competent mining technical personnel;

c. formulate a transparent, accountable, and rational work plan; and / or

d. conduct any complete and optimum mining activities in accordance with the work plan and shall meet the technical feasibility requirements.
(2) In the implementation of such techniques aspect for the Processing and/or Purification activity as referred to in Article 4 paragraph (3) letter a, holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall:
   a. use the Processing and/or Purification method in accordance with the Annual Work Plan and Budget (RKAB) approval;
   b. use any competent Processing and/or Purification technical personnel;
   c. formulate a transparent, accountable, and rational work plan; and/or
   d. conduct any complete and optimum Processing and/or Purification activities in accordance with the work plan and shall meet the technical feasibility requirements.

(3) Any holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall comply with any required technical provisions in every stage of Mining Business activities that include Exploration, Feasibility Study, boundary
markers attachment, Construction and testing of commissioning equipment, Mining, Processing and/or Purification, Transportation, and Post-mining.

Article 13

The Minister shall determine the guidelines for the implementation of the mining techniques management as referred to in Article 12.

Part Three
Mineral and Coal Mining Safety and Processing and/or Purification Safety Management

Paragraph 1
Mineral and Coal Mining Occupational Safety and Health And Operational Safety

Article 14

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall be implemented the provision of mining safety as referred to in Article 3 paragraph (3) letter c
and letter d.

(2) In implementing the provisions on mining safety as referred to in paragraph (1), any holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall:

a. provide all equipment, supplies, personal protective equipment, facilities, personnel, and expenses required for the implementation of the provisions on mining safety; and

b. establish a mining safety organization by considering the number of workers, the nature or scope of the work.

(3) Provisions on mining safety as referred to in paragraph (1) shall include:

a. mining occupational safety and health; and

b. mining operational safety.

(4) Mining occupational safety and health as referred to in paragraph (3) letter a shall at least consist of:

a. mining health safety that include:

    1. risk management;
2. a safety program that covers the prevention of accidents, fires, and other dangerous events;
3. education and training on occupational safety;
4. occupational safety administration;
5. emergency management;
6. occupational safety inspection; and
7. prevention and investigation of accidents;

b. mining occupational health that includes health program for workers / labors, hygiene and sanitation, ergonomics, food, beverage, and nutrition management for workers / and/or diagnosis and examination of occupational diseases; and

c. mining work environment that contains company regulations, measurement, assessment, and control on working environment conditions.

(5) Mining operational safety as referred to in paragraph (3) letter b shall at least consist of:
   a. maintenance system and implementation for mining facilities, infrastructure, installation, and equipment as follows:
      1. planning a maintenance system for mining facilities, infrastructure, installation, and equipment;
2. appointing a person in charge of the maintenance system for mining facilities, infrastructure, installation, and equipment; and

3. implementing the maintenance system for mining facilities, infrastructure, installation, and equipment in accordance with the provisions of the prevailing laws and regulations and any recognized national or international standards;

b. installation security;

c. any competent operational safety personnel;

d. feasibility of mining facilities, infrastructure, installation and equipment by conducting a feasibility test on the maintenance system;

e. evaluation of reports on the results of mining technical studies;

f. explosive and explosion safety;

g. mining facilities safety;

h. Exploration safety;

i. surface mining safety;

j. underground mining safety; and
k. suction dredger safety.

(6) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall comply with the provisions on mining safety as referred to in paragraph (3) based on Feasibility Study, Environmental Document, and Annual Work Plan and Budget (RKAB) that have been approved in accordance with the provisions of laws and regulations.

Article 15

The Minister shall determine the guidelines for the implementation of the mining safety as referred to in Article 14.

Paragraph 2

Management of Mineral and Coal Processing and/or Purification Safety

Article 16

(1) Any holder of Mining Business License (IUP) for
Production Operation specifically for Processing and/or Purification of mineral and coal shall implement the provisions on Processing and/or Purification safety as referred to in Article 4 paragraph (3) letter b.

(2) In implementing the provisions on Processing and/or Purification safety as referred to in paragraph (1), the holder Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification of mineral and coal shall:
   a. provide all equipment, supplies, personal protective equipment, facilities, personnel, and expenses required for the implementation of the provisions on Processing and/or Purification safety; and
   b. establish and determined a Processing and/or Purification safety organization by considering the number of workers, the nature or scope of the work.

(3) Provisions on Processing and/or Purification safety as referred to in paragraph (1) shall include:
   a. Processing and/or Purification occupational safety and health; and
   b. Processing and/or Purification operational safety.

(4) Processing and/or Purification occupational safety and
health as referred to in paragraph (3) letter a shall at least consist of:

a. Processing and/or Purification occupational safety that include:
   1. risk management;
   2. a safety program that covers the prevention of accidents, fires, and other dangerous events;
   3. education and training on occupational safety;
   4. occupational safety administration;
   5. emergency management;
   6. occupational safety inspection; and
   7. prevention and investigation of accidents;

b. Processing and/or Purification occupational health that includes health program for workers / labors, hygiene and sanitation, ergonomics, food, beverage, and nutrition management for workers / and/or diagnosis and examination of occupational diseases; and

c. Processing and/or Purification work environment that contains company regulations, measurement, assessment, and control on working environment conditions.

(5) Processing and/or Purification operational safety as referred to in paragraph (3) letter b shall at least
consist of:

a. maintenance system and implementation for mining facilities, infrastructure, installation, and equipment as follows:

1. planning a maintenance system for Processing and/or Purification facilities, infrastructure, installation, and equipment;

2. appointing a person in charge of the maintenance system for Processing and/or Purification facilities, infrastructure, installation, and equipment; and

3. implementing the maintenance system for Processing and/or Purification facilities, infrastructure, installation, and equipment in accordance with the provisions of the prevailing laws and regulations and any recognized national or international standards;

b. installation security;

c. any competent operational safety personnel;

d. feasibility of Processing and/or Purification facilities, infrastructure, installation and equipment by conducting a feasibility test on the maintenance system;
e. Processing and/or Purification facilities safety;

(6) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall comply with the provisions on Processing and/or Purification safety as referred to in paragraph (3) based on Environmental Document and Annual Work Plan and Budget (RKAB) that have been approved in accordance with the provisions of laws and regulations.

Article 17

The Minister shall determine the guidelines for the implementation of the Processing and/or Purification safety as referred to in Article 16.

Paragraph 3

Mining Safety Management System

Article 18

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production
Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall implement the mining safety management system.

(2) Such mining safety management as referred to in paragraph (1) shall include the following elements:
   a. policy;
   b. planning;
   c. organization and personnel;
   d. implementation;
   e. monitoring, evaluation and follow-up;
   f. documentation; and
   g. management reviews and performance improvements.

(3) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall conduct internal audit of the implementation of mining safety management system at least once in 1 (one) year.

(4) In the event of accidents, dangerous events, incidents
due to labor diseases, occupational diseases, disasters, and/or for the purposes of the assessment of the mining safety performance, Chief Inspector of Mines (KaIT) may require any relevant Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification to conduct an external audit of the implementation of the mining safety management system.

(5) Such external audit of the implementation of the mining safety management system as referred to in paragraph (4) shall be carried out by an accredited independent audit institution as signed by the Director General.

Article 17

The Minister shall determine the guidelines for the implementation of the Mining Safety Management System as referred to in Article 18.

Part Four

Mining, Reclamation,
Post-mining, and Post-operation

Environmental Management

Paragraph 1

Mining Environmental Management

Article 20

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall carry out the mining environmental management as referred to in Article 3 paragraph (3) letter e.

(2) Such mining environmental management as referred to in paragraph (1) shall include:

a. implementation of management and monitoring of the mining environment in accordance with the Environmental Document; and

b. prevention and restoration of the environment in the event of environmental pollution and/or damage.

Article 21
(1) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall carry out the environmental management and post-operation as referred to in Article 4 paragraph (3) letter c.

(2) Such environmental management and post-operation as referred to in paragraph (1) shall include:
   a. implementation of management and monitoring of the environment in accordance with the Environmental Document; and
   b. prevention and restoration of the environment in the event of environmental pollution and/or damage.

Article 22

Reclamation and Post-Mining as well as Post-Operation

(1) A holder of Exploration Mining Business License (IUP) and Exploration Special Mining Business License (IUPK) shall:
   a. submit the Reclamation Plan for Exploration stage in accordance with the Environmental Document;
   b. place a Reclamation guarantee for Exploration stage in accordance with the stipulation of the Minister or the
relevant governor in accordance with their respective authority;

c. implement Reclamation for Exploration stage;

d. report on the implementation of the Reclamation at Exploration stage;

e. submit the Reclamation plan for production operation stage when applying for an upgrade of Mining Business License (IUP) for Production Operation or Special Mining Business License (IUPK) for Production Operation; and

f. submit the plan of Post-mining when applying for an upgrade of Mining Business License (IUP) Production Operation or Special Mining Business License (IUPK) Production Operation.

(2) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall:
   a. place a Reclamation guarantee for production operation stage and Post-mining guarantee in accordance with the stipulation of the Minister or the relevant governor in accordance with their respective authority;

   b. submit the Reclamation plan for production operation
stage periodically;

c. carry out Reclamation for production operation and Post-mining stages; and

d. report the implementation of the Reclamation for production operation and Post-mining stages.

(3) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall:

a. submit a post-operative plan in accordance with the Environmental Document;

b. carry out post-operative activities for the improvement, restoration, and structuring of the quality of the environment and ecosystem in order to function again in accordance with their designation; and

c. report the implementation of post-operative activities.

Article 23

The Minister shall determine the guidelines for the implementation of the Mining, Reclamation, Post-mining, and Post-operation as referred to in article 20, Article 21 and
Article 22.

Part Five

Mineral and Coal Conservation

Article 24

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall perform Mineral and Coal conservation efforts as referred to in Article 3 paragraph (3) letter b.

(2) Such Mineral and Coal conservation efforts as referred to in paragraph (1) shall consist of:
   a. planning and implementation of Mining recovery;
   b. planning and implementation of processing recovery;
   c. management of low quality Coal and low grade Minerals, derived mineral, Processing and/or Purification residuals, and marginal reserves;
   d. utilization of low quality Coal and low grade Minerals, derived mineral, and marginal reserves; and
e. data collection of un-mined Mineral and Coal reserves and Processing and/or Purification residuals.

(3) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall perform Mineral and Coal conservation efforts as referred to in paragraph (2) based on the Annual Work Plan and Budget (RKAB) and Feasibility Study approved.

Article 25

(1) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall perform Mineral and Coal conservation efforts as referred to in Article 4 paragraph (3) letter b.

(2) Such Mineral and Coal conservation efforts as referred to in paragraph (1) shall consist of:

a. planning and implementation of processing recovery;

b. management of Processing and/or Purification residuals;
c. data collection of Processing and/or Purification residuals.

(3) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall perform Mineral and Coal conservation efforts as referred to in paragraph (2) based on the Annual Work Plan and Budget (RKAB).

Article 26

The Minister shall determine the guidelines for the implementation of the Mineral and Coal conservation as referred to in article 24 and Article 25.

Part Six

Technology Utilization, Engineering Capability, Design, Development, and Application of Mining Technology

Article 27

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production
Operation shall implement technology utilization, engineering capability, design, development and application of mining technology as referred to in Article 3 paragraph (3) letter f.

(2) The Minister shall stipulate guidelines for the implementation of technology utilization, engineering capability, design, development, and application of mining technology as part of the mining technical management guidelines as referred to in Article 13.

Part Seven
Competency Standards for Special Works,
Indonesian National Working Competency Standards,
And Indonesian National Standards

Article 28

Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for processing and/or purification shall apply competency standards for special works, Indonesian national working competency standards, and Indonesian national
standards in accordance with the provision of laws and regulations.

CHAPTER III
IMPLEMENTATION OF THE GOVERNANCE OF MINERAL AND COAL MINING EXPLOITATION

Part One
General

Article 29

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall implement the governance of mining business as referred to in Article 3 paragraph (2) letter b based on the principles of:
   a. openness;
   b. accountability;
   c. responsibility;
   d. independence; and
   e. fairness.

(2) Holders of Mining Business License (IUP) for Production
Operation specifically for processing and/or purification shall implement the governance of processing and/or purification business as referred to in Article 4 paragraph (2) letter b based on the principles of:
   a. openness;
   b. accountability;
   c. responsibility;
   d. independence; and
   e. fairness.

(3) The objectives of the governance of mining business and the governance of the Processing and/or Purification business as referred to in paragraph (1) and paragraph (2) shall be to encourage the professional, efficient and effective Mining Business Management and to increase the contribution in the economy.

Part Two
Marketing

Article 30

(1) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall implement the provisions on marketing as referred to in Article 3 paragraph (4)
letter a that shall at least consist of:

a. the implementation of Mineral or Coal sales activities in accordance with the quality and quantity approved in the Annual Work Plan and Budget (RKAB);

b. prioritization of the fulfilment of the needs for Mineral or Coal for domestic purposes;

c. the selling price of Mineral and Coal guided by the reference price of Mineral, the reference price of Coal, or the selling price as stipulated by the Minister;

d. pricing on the relevant sales contracts guided by the reference price of Mineral or the reference price of Coal;

e. any costs for Mineral Processing and/or Purification that refer to the amount of fees generally accepted in international market; and/or

f. plan and realization of mixing of Mineral or Coal in accordance with the approval of the Annual Work Plan and Budget (RKAB).

(2) The quality and quantity of such Mineral or Coal as referred to in paragraph (1) letter a to be sold domestically shall be verified by the implementing
surveyor assigned by the Director General.

Article 31

(1) A holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall implement the provisions on marketing as referred to in Article 4 paragraph (4) letter a that shall at least consist of:

a. production realization and sales realization including quality and quantity and price of Mineral or Coal;

b. sale cost incurred in accordance with the established standards; and

c. Mineral and Coal Processing and/or Purification costs in accordance with the arm’s length principle.

(2) The quality and quantity of such Mineral or Coal as referred to in paragraph (1) letter a to be sold domestically shall be verified by the implementing surveyor assigned by the Director General.

Part Three

Finance

Article 32
(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, and Special Mining Business License (IUPK) for Production Operation shall implement the provisions on such financial aspects as referred to in Article 3 paragraph (4) letter b in accordance with the approval of the Annual Work Plan and Budget (RKAB) that consist of at least the following:

a. budget planning and realization;

b. investment and financing sources planning and realization;

c. non-tax state revenue payment that consists of:
   1. services of providing Mineral and Coal information system data;
   2. fixed fee;
   3. production / royalty fee;
   4. Coal sale proceeds;
   5. compensation of information data;
   6. payment of 10% (ten percent) of net profit for holders of Special Mining Business License (IUPK) for Production Operation;
   7. guarantee of tender auction of metallic Mineral or Coal Mining Business License Area (WIUP) and
Special Mining Business License Area (WIUPK) assigned to government property in accordance with the laws and regulations; and / or

8. assurance of the implementation of Exploration activities that are determined to be the property to the government in accordance with the laws and regulations.

(2) In implementing the financial aspect as referred to in paragraph (1), the holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall:

a. prepare financial statements in accordance with the statement of financial accounting standards;

b. apply the arm’s length principle in financial transactions;

c. implement risk management and internal control systems; and

d. submit financial statements that have been audited by public accountant in accordance with the laws and regulations.
(3) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall fully pay in advance any production / royalty fees or Coal sale proceeds as referred to in paragraph (1) letter c point 3 and point 4 before the Mineral or Coal mining commodities are transported for the sale of Mineral or Coal.

Article 33

(1) Holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall implement the provisions on such financial aspects as referred to in Article 4 paragraph (4) letter b in accordance with the approval of the Annual Work Plan and Budget (RKAB) that consist of at least the following:

a. budget planning and realization;

b. investment and financing sources planning and realization;

c. payment of production / royalty fee to the extent that such royalty for metallic Mineral commodities has not been paid.

(2) In implementing the provision of financial aspect as referred to in paragraph (1), the holders of Mining
Business License (IUP) for Production Operation specifically for Processing and/or Purification shall:

a. prepare financial statements in accordance with the statement of financial accounting standards;

b. apply the arm’s length principle in financial transactions;

c. implement risk management and internal control systems; and

d. submit financial statements that have been audited by public accountant in accordance with the provision of laws and regulations.

Part Four
Data Management

Article 34

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall manage such data as referred to in Article 3 paragraph (4) letter c by using the data management system that at least include:
a. method of acquisition;
b. administration;
c. processing;
d. organization;
e. storage;
f. maintenance; and
g. destruction.

(2) Such data as referred to in paragraph (1) shall include:
a. exploration data;
b. mining data;
c. Processing and/or Purification data; and/or
d. marketing data.

(3) Holders of Exploration Mining Business License (IUP),
Exploration Special Mining Business License (IUPK),
Mining Business License (IUP) for Production Operation
and Special Mining Business License (IUPK) for Production
Operation shall submit such data as referred to in
paragraph (2) to the Minister or the relevant governor in
accordance with their respective authority on a periodic
basis and at the end of the activity.

Article 35

(1) Holder of Mining Business License (IUP) for Production
Operation specifically for Processing and/or Purification shall manage such data as referred to in Article 4 paragraph (4) letter c by using the data management system that at least include:

a. method of acquisition;

b. administration;

c. processing;

d. organization;

e. storage;

f. maintenance; and

g. destruction.

(2) Such data as referred to in paragraph (1) shall include:

a. Processing and/or Purification data; and

b. marketing data.

(3) Holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall submit such data as referred to in paragraph (2) to the Minister or the relevant governor in accordance with their respective authority on a periodic basis and at the end of the activity.

Part Five
Prioritization of Utilization of Domestic Goods, Services, and Technology
Article 36

(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall utilize such goods, services and technology as referred to in Article 3 paragraph (4) letter d and Article 4 paragraph (4) letter d in accordance with the approved Annual Work Plan and Budget (RKAB).

(2) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall, in the utilization of goods, services and technology as referred to in paragraph (1), use domestic products.

(3) In the event that such goods, services and technology as
referred to in paragraph (2) are not available domestically with the following considerations:

a. uncompetitive prices;
b. unqualified quality / quality; and
c. insufficient quantity and continuity of supply,

the holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification may utilize any goods, services, and technology from abroad.

(4) In the utilization of such goods, services and technology as referred to in paragraph (3), the holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall comply with the domestic content level in accordance with the laws and regulations.
(5) The Minister shall stipulate the list of goods, services and technology produced domestically.

Part Six
Development of Mining Technical Personnel

Article 37

(1) Holders of Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall develop the Mining technical personnel as referred to in Article 3 paragraph (4) letter e and Article 4 paragraph (4) letter e in accordance with the approved Annual Work Plan and Budget (RKAB).

(2) In the development of Mining technical personnel as referred to in paragraph (1), Holders of Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, and Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall:

a. prepare a program of technical personnel competence development;
b. implement any program of technical personnel development prevailing both locally and nationally;

c. implement transfer of technology, expertise, and skills; and

d. implement transfer of foreign workers to local or national workers.

Part Seven
Development and Empowerment of Local Communities and Social and Environmental Responsibilities

Article 38

(1) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall carry out the development and empowerment of local communities as referred to in Article 3 paragraph (4) letter f in accordance with the approved Annual Work Plan and Budget (RKAB) that shall at least consist of the following:

a. social mapping of communities around the mining site;

b. the master plan for community empowerment development guided by the blueprint set by the relevant provincial government;
c. the implementation of an annual community empowerment development program that refers to the master plan for community empowerment development; and/or

d. financing the community empowerment development program on an annual basis.

(2) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall perform the social and environmental responsibility as referred to in Article 4 paragraph (4) letter f that shall at least consists of:

a. social mapping of community around the location of the Processing and/or Purification facilities;

b. implementation of annual social and environmental responsibility programs; and

c. financing of annual social and environmental responsibility program.

(3) The Minister shall stipulate the guidelines for the implementation of development and empowerment of local communities as well as social and environmental responsibility as referred to in paragraph (1) and paragraph (2).
Part Eight

Other Activities in the Field of Mining Business that Concern Public Interests

Article 39

Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall perform any other activities in the field of Mining Business that concern the public interests as referred to in Article 3 paragraph (4) letter g that shall at least consist of the following:

a. operation of public facilities constructed by the relevant holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation; and

b. realization of financing for the construction and provision of public facilities.

Part Nine

Implementation of Activities in accordance with Mining Business License (IUP) or Special Mining Business License (IUPK)

Article 40
(1) Holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall perform mining activities in accordance with Mining Business License (IUP) or Special Mining Business License (IUPK) as referred to in Article 3 paragraph (4) letter h, that consist of:

a. area;
b. mining site;
c. Processing and/or Purification site;
d. period of activity stage;
e. resolution of any land issues;
f. dispute resolution; and/or
g. mastery, development, and application of Mineral or Coal mining technology.

(2) In carrying out any of such mining activities as referred to in paragraph (1), the following shall be considered:

a. suitability of Mining Business License (IUP) or Special Mining Business License (IUPK) area, site and timeframe;

b. efforts to settle land rights in Mining Business License Area (WIUP) or Special Mining Business License
Area (WIUPK); and/or

c. efforts to resolve disputes by prioritizing deliberations aimed at reaching a consensus.

Part Ten

Quantity, Type, and Quality of Mining Business Results

Article 41

(1) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation shall implement any provisions concerning the quantity, type and quality of Mining Business results as referred to in Article 3 paragraph (4) letter i, in accordance with the approved Annual Work Plan and Budget (RKAB) that at least consist of the following:

a. types of mining commodities;

b. quantity and quality of production for each Mining site;

c. quantity and quality of washing and/or Processing and/or Purification; and / or

d. run of mine, stockpile, and sale point.
(2) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation as referred to in paragraph (1) shall record the realization of mining activities.

Article 42

(1) A holder of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification shall be obligated to implement any provisions relating to the quantity, type and quality of the Processing and/or Purification business as referred to in Article 4 paragraph (4) letter g, in accordance with the approved Annual Work Plan and Budget (RKAB) that shall at least consist of:

a. sources of raw materials for Processing and/or Purification;

b. quantity and quality of the Processing and/or Purification products; and / or

c. stockpile and sale point

(2) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification as referred to in paragraph (1) shall record the realization of Processing and/or Purification activities.
CHAPTER IV

SUPERVISION ON THE MANAGEMENT OF

MINING BUSINESS

Part One

General

Article 43

(1) The management of Mining Business shall be conducted by the Minister or the relevant governor in accordance with their respective authority.

(2) In the framework of the management of Mining Business as referred to in paragraph (1), the relevant governor shall:

a. report the operation and implementation of Mining Business activities under its authority at least every 6 (six) months to the Minister;

b. carry out data management of Mineral and Coal Mining Business; and

c. prepare and set blueprints of community development and empowerment based on the considerations of the Director General.
(3) The Minister shall stipulate guidelines for reporting the operation of Mining Business activities and guidelines for the preparation of blueprints for community development and empowerment as referred to in paragraph (2) letter a and letter c.

Part Two
Scope of Supervision

Article 44

(1) The Minister shall supervise the management of Mining Business activities carried out by the relevant governor.

(2) Supervision on the management of Mining Business activities carried out by the relevant governor as referred to in paragraph (1) shall include any supervision on:
   a. stipulation and provision of non-metal Mineral Mining Business License Area (WIUP) and rocks Mining Business License Area (WIUP);
   b. granting of metal Mineral Mining Business License Area (WIUP) and Coal Mining Business License Area (WIUP);
   c. issuance of People Mining License (IPR);
d. issuance of Mining Business License (IUP);

e. issuance of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification;

f. issuance of Mining Business License (IUP) for Production Operation specifically for transportation and sales;

g. issuance of Mining Service Business License (IUJP);

h. implementation of guidance for and supervision on activities undertaken by holders of People Mining License (IPR), Mining Business License (IUP), Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification, Mining Business License (IUP) for Production Operation specifically for transportation and sales, and Mining Service Business License (IUJP) related to the governance of mining business;

i. management of Mineral and Coal Mining Business data;

and

j. preparation of blueprints for community development and empowerment.
(3) Such supervision as referred to in paragraph (1) and paragraph (2) shall be conducted by the Director General on behalf of the Minister.

CHAPTER V
SUPERVISION ON
MINING BUSINESS ACTIVITIES

Part One
Supervision on the Implementation of
Good Mining Engineering Practices

Article 45

(1) The Minister and the relevant governor shall, in accordance with their respective authority, supervise the implementation of good mining engineering practices as referred to in Article 3 paragraph (2) letter a, the implementation of the Processing and/or Purification engineering practices as referred to in Article 4 paragraph (2) letter a, and the implementation of good mining services practices as referred to in Article 5 paragraph (2) letter a.

(2) Such supervision as referred to in paragraph (1) shall be conducted by the Mining Inspector through:
a. evaluation on both periodic reports and special reports;

b. inspections conducted on a periodic basis or at any time as required; and

c. assessment of the successful implementation of programs and activities.

(3) In conducting supervision as referred to in paragraph (2), the Mining Inspector shall conduct inspection, investigation and testing activities.

(4) The Mining Inspector shall prepare and submit reports on the results of such inspection, investigation and testing as referred to in paragraph (3) above to Chief Inspector of Mines (KaIT).

(5) Such report as referred to in paragraph (4) shall contain orders, prohibitions, and instructions that shall be followed up immediately by the relevant Holders of Mining Business License (IUP), Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification and Mining Service Business License (IUJP).

(6) The Mining Inspector shall evaluate the reports on the
follow-up of the results of such inspection, investigation and testing as referred to in paragraph (5) submitted by the relevant Holders of Mining Business License (IUP), Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification and Mining Service Business License (IUJP).

Article 46

In conducting inspection, investigation and testing as referred to in Article 45 paragraph (3), the Mining Inspector shall be authorized to:

a. enter the Mining Business site at any time;

b. cease, any or all, Mineral and Coal mining activities if such mining activities are deemed to endanger the safety of personnel / workers, public safety, or cause environmental pollution and/or damage; and

c. propose that such cessation as referred to in letter b be changed to a permanent termination of Mineral and Coal mining activities to Chief Inspector of Mines (KaIT).

Article 47
The Minister shall stipulate the guidelines for the Mining Inspector to supervise the good mining engineering practices, the Processing and/or Purification engineering practices, and the good mining services practices as referred to in Article 45.

Part Two
Supervision on the Governance of Mining Business

Article 48

(1) Supervision on the governance of mining business as referred to in Article 3 paragraph (2) letter b, the Processing and/or Purification engineering practices as referred to in Article 4 paragraph (2) letter b, and the good mining services practices as referred to in Article 5 paragraph (2) letter b shall be conducted by the Minister or the relevant governor in accordance with their respective authority.

(2) Such supervision as referred to in paragraph (1) shall be conducted by the Designated Officer appointed by the Minister or the relevant governor in accordance with their respective authority.
(3) Such supervision as referred to in paragraph (1) shall be conducted through:

a. evaluation on both periodic reports and end reports;

b. inspections conducted on a periodic basis or at any time as required; and

c. assessment of the successful implementation of programs and activities.

(4) Such Designated Officer as referred to in paragraph (2) shall prepare and submit a report on the supervision results to the Director General or the relevant governor.

(5) Such supervision report as referred to in paragraph (4) shall contain orders, prohibitions, and instructions that shall be followed up immediately by the relevant Holders of Mining Business License (IUP), Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification and Mining Service Business License (IUJP).

(6) Such Designated Officer as referred to in paragraph (2) shall evaluate the reports on the follow-up of the results of such supervision as referred to in paragraph (5) submitted by the relevant Holders of Mining Business License (IUP), Special Mining Business License (IUPK),
Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification and Mining Service Business License (IUJP).

Article 49

The Minister shall stipulate the procedures for appointment of, implementation of duties of, as well as guidelines for the Designated Officer in supervising the governance of good mining engineering practices, the governance of Processing and/or Purification engineering practices, and the governance of good mining services practices as referred to in Article 48.

CHAPTER VI

ADMINISTRATIVE SANCTIONS

Article 50

(1) The holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation that does not comply with or violate the provisions as referred to in Article 3, Article 7 paragraph (1), Article 10 paragraph (1), Article 12 paragraph (1) and paragraph (3), Article 14 paragraph (1), paragraph (2),
and paragraph (6), Article 18 paragraph (1) and paragraph (3), Article 20 paragraph (1), Article 24 paragraph (1) and paragraph (3), Article 27 paragraph (1), Article 28, Article 29 paragraph (1), Article 32 paragraph (1) and paragraph (2), Article 34 paragraph (1) and paragraph (3), Article 36 paragraph (1), paragraph (2), and paragraph (4), and Article 40 paragraph (1), shall be liable to administrative sanctions.

(2) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation that does not comply with or violate the provisions as referred to in Article 7 paragraph (2), shall be liable to administrative sanctions.

(3) Holders of Mining Business License (IUP) for Production Operation and Special Mining Business License (IUPK) for Production Operation that does not comply with or violate the provisions as referred to in Article 22 paragraph (2), Article 30, Article 32 paragraph (3), Article 37, Article 38 paragraph (1), Article 39, and Article 41, shall be liable to administrative sanctions.

(4) Holders of Exploration Mining Business License (IUP) and Exploration Special Mining Business License (IUPK) that does not comply with or violate the provisions as
referred to in Article 22 paragraph (1), shall be liable to administrative sanctions.

(5) Holders of Mining Business License (IUP) for Production Operation specifically for Processing and/or Purification that does not comply with or violate the provisions as referred to in Article 4, Article 8 paragraph (1), Article 10 paragraph (2), Article 12 paragraph (2), Article 16, Article 18 paragraph (1) and paragraph (3), Article 21 paragraph (1), Article 22 paragraph (3), Article 25, Article 29 paragraph (2), Article 31, Article 33, Article 35, Article 36 paragraph (1), paragraph (2), and paragraph (4), Article 37, Article 38 paragraph (2), and Article 42, shall be liable to administrative sanctions.

(6) Holder of Mining Service Business License (IUJP) that does not comply with or violate the provisions as referred to in Article 5 and Article 9 paragraph (1), shall be liable to administrative sanctions.

(7) Holder of People Mining License (IPR) that does not comply with or violate the provisions as referred to in Article 6, shall be liable to administrative sanctions

(8) The administrative sanctions as referred to in paragraph
(1) to paragraph (7) shall be in the form of:

a. Written warning

b. Suspension of part or all of the business activity; and/or

c. Revocation of permission

(9) The administrative sanctions as referred to in paragraph (8) shall be granted by the Minister or governor in accordance with their authority.

Article 51

Written warning as referred to in Article 50 paragraph (8) letter a shall be given at most 3 (three) times with warning period of 30 (thirty) calendar days respectively.

Article 52

(1) In the case of the holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, Mining Business License (IUP) for Production Operation specifically for processing and/or purification, Mining Service Business License (IUJP), and People Mining License (IPR) which received the written
warning sanction after the expiry of the written warning period as referred to in Article 51 has not fulfilled its obligation, shall be liable to administrative sanction in the form of partial suspension or all business activities as referred to in Article 50 paragraph (8) letter b.

(2) The administrative sanction in the form of suspension of part or all of the business activities as referred to in paragraph (1) shall be imposed within the period of no more than 60 (sixty) calendar days.

Article 53

Administrative sanctions in the form of revocation of license as referred to in Article 50 paragraph (8) letter c shall be imposed on the holders of Exploration Mining Business License (IUP), Exploration Special Mining Business License (IUPK), Mining Business License (IUP) for Production Operation, Special Mining Business License (IUPK) for Production Operation, Mining Business License (IUP) for Production Operations specifically for processing and/or purification, Mining Service Business License (IUJP), or People Mining License (IPR) which does not perform its obligations until the end of the period of imposition of sanctions in the form of suspension Part or all of the business activities as referred to in Article 52.
CHAPTER VII
OTHERS PROVISIONS

Article 54

(1) In the framework of the implementation of supervision to the Mineral and Coal Mining Business Management, Director General issued the list of Mining Business License (IUP) and Special Mining Business License (IUPK) which fulfilled the following provision:

a. Its Coal Mining Business License Area (WIUP) or Special Mining Business License Area (WIUPK) does not overlap with the commodities;

b. Has fulfilled the payment of non-tax revenue obligations; and

c. Has fulfilled the technical and environment obligations in accordance with the provisions of laws and regulations.

(2) In the event that the fulfillment of the provisions as referred to in paragraph (1) is in the process of dispute settlement in the court or other related authorities, the Director General shall include the Mining Business License (IUP) or Special Mining Business License (IUPK)
in the list as referred to in paragraph (1) after a decision of court or related authorities which state that the aforementioned Mining Business License (IUP) or Special Mining Business License (IUPK) has fulfilled the provisions as referred to in paragraph (1).

(3) Issuance for list of Mining Business License (IUP) and Special Mining Business License (IUPK) by the Director General as referred to in paragraph (1) and paragraph (2) as a basis of the granting of licensing services in the mining business activities of mineral and coal.

CHAPTER VIII
TRANSITIONAL PROVISION

Article 55

Reclamation Plan and/or Post-Mining plan which has been approved by Minister of governor in accordance with their authority before the enactment of this Ministerial Regulations shall remain valid until its term expires.

Article 56

Holder of Mining Business License (IUP) for Production Operations specifically for processing and/or purification
shall be submitted the post-operation plan to the Minister or
governor in accordance with their authority no later than 2
(two) years as from this Ministerial Regulation is enacted.

Article 57

(1) In the event that the blueprint is not yet available
which is prepared by the governor at the time of this
Ministerial Regulation is enacted, the holders of
Exploration Mining Business License (IUP) and Exploration
Special Mining Business License (IUPK) shall remain to
prepare the master plan of community development and
empowerment together with the preparation of feasibility
study.

(2) In the event that the blueprint is not yet available
which is prepared by the governor at the time of this
Ministerial Regulation is enacted, the holders of Mining
Business License (IUP) for Production Operation and
Special Mining Business License (IUPK) for Production
Operation shall remain to prepare the master plan of
community development and empowerment no later than 1
(one) year as from this Ministerial Regulation is
enacted.

Article 58
Community Development and Empowerment Program which has been obtained approval from Director General on behalf of Minister or governor in accordance with their authority before the enactment of this Ministerial Regulations, shall remain valid and implemented in accordance with the approval of the Annual Work Plan and Budget (RKAB)

Article 59

At the time this Ministerial Regulations comes into force, the Holders of Contract of Work and Coal Mining Business Work Agreement shall be implemented the provision concerning good mining practices in accordance with these Ministerial Regulation.

CHAPTER IX
CLOSING PROVISIONS

Article 60

When this Ministerial Regulation comes into force,

a. Regulation of the Minister of Energy and Mineral Resources Number 02 Year 2013 regarding Supervision to the Implementation of Mining Business Management implemented
by the Provincial Government and Regency/City Government (State Gazette of the Republic of Indonesia Year 2013 Number 78);

b. Regulation of the Minister of Energy and Mineral Resources Number 7 Year 2014 regarding Reclamation and Post-Mining in Mineral and Coal Mining Business Activity (State Gazette of the Republic of Indonesia Year 2014 Number 274);

c. Regulation of the Minister of Energy and Mineral Resources Number 38 Year 2014 regarding Application for Safety Management System of the Mineral and Coal Mining (State Gazette of the Republic of Indonesia Year 2014 Number 2014);

d. Decree of the Minister of Mining and Energy Number 555.K/26/M.PE/1995 regarding Occupational Safety and Health of General Mining;

e. Decree of the Minister of Mining and Energy Number 1211.K/008/M.PE/1995 regarding Prevention and Handling of Environmental Pollution and Damage in General Public Mining Undertaking Activities.

f. Decree of the Minister of Energy and Mineral Resources

Article 61

This Ministerial Regulation shall become effective as from the date of enactment.

In order to make known to all citizens, it is hereby order to promulgate the enactment of this Ministerial Regulation in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
On the date of 2 May 2018

MINISTER OF ENERGY AND MINERAL RESOURCES
THE REPUBLIC OF INDONESIA,

[signed]

IGNASIOUS JONAN

Enacted in Jakarta
On the date of 3 May 2018
DIRECTOR GENERAL OF
LAWS AND REGULATIONS
MINISTRY OF LAW AND HUMAN RIGHTS
THE REPUBLIC OF INDONESIA

[signed]

WIDODO EKATJAHJANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2018 NUMBER 596

the Copies in conformity with the original

MINISTRY OF ENERGY AND MINERAL RESOURCES
HEAD OF LEGAL BUREAU

[signed and sealed]

HUFRON ASROFI
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