



**MINISTER OF ENERGY AND MINERAL RESOURCES**

**THE REPUBLIC OF INDONESIA**

**REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCE**

**THE REPUBLIC OF INDONESIA**

**NUMBER 22 YEAR 2018**

**REGARDING**

**AMENDMENT TO REGULATION OF MINISTER OF ENERGY AND MINERAL  
RESOURCE NUMBER 11 YEAR 2018 REGARDING PROCEDURE FOR THE  
GRANTING OF AREA, LICENSING AND REPORTING IN THE BUSINESS  
ACTIVITY OF 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 : a. That to optimize the potential of non-tax revenue in the form of compensation of information data from the implementation

of auction of Mining Business License Area and Special Mining Business License Area as well as to ensure the financial ability and technical of auction winner, it is necessary to re-stipulated the provisions concerning the component in the calculation of the compensation of information data as well as the percentage of the weight values of evaluation results of prequalification and auction bid price of Mining Business License Area and Special Mining business License Area;

b. that in order to given the business certainty for the holders of Mining Business License for Production Operation specially to transportation and sales, it is necessary to re-regulated of the right and prohibition for the holders of Mining Business License for Production Operation specially to transportation and sales;

c. That on the basis of the consideration as referred to in letter a and letter b, it shall be necessary to stipulate Regulation of Minister of Energy and Mineral

Resources regarding Amendment to Regulation of Minister of Energy and Mineral Resource Number 11 Year 2018 regarding Procedure for the Granting of Area, Licensing and Reporting in the Business Activity of Mineral and Coal Mining;

- In view of :
1. Law Number 26 Year 2007 regarding Spatial Planning (State Gazette of the Republic of Indonesia Year 2007 Number 68, Supplement to State Gazette of the Republic of Indonesia Number 4725);
  2. Law Number 40 Year 2007 regarding Limited Liability Company (State Gazette of the Republic of Indonesia Year 2007 Number 106, Supplement to State Gazette of the Republic of Indonesia Number 4756);
  3. 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);
  4. 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);

5. 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);

6. Government Regulation Number 26 Year 2008 regarding Spatial Planning for National Area (State Gazette of the Republic of Indonesia Year 2008 Number 48, Supplement to the State Gazette of the Republic of Indonesia Number 4833) as has been amended

by Government Regulation Number 13 Year 2017 regarding Second Amendment of the Government Regulation Number 26 Year 2008 regarding Spatial Planning for National Area (State Gazette of the Republic of Indonesia Year 2017 Number 77, Supplement to the State Gazette of the Republic of Indonesia Number 6042);

7. Government Regulation Number 22 Year 2010 regarding Mining Area (State Gazette of the Republic of Indonesia Year 2010 Number 28, Supplement to the State Gazette of the Republic of Indonesia Number 5110);

8. Government Regulation Number 23 Year 2010 regarding Realization of Mineral and Coal Mining Business Activities (State Gazette of the Republic of Indonesia Year 2010 Number 29, Supplement to the State Gazette of the Republic of Indonesia Number 5111) as amended several times and most recently by Government Regulation Number 8 Year 2018 regarding the Fifth Amendment to Government Regulation Number 23 Year 2010 regarding the Realization of Mineral and Coal Mining

Business Activities (State Gazette of the Republic of Indonesia Year 2018 Number 28, Supplement to the State Gazette of the Republic of Indonesia Number 6186);

9. 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);

10. 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)

11. Presidential Regulation Number 68 Year 2015 regarding Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2015 Number 132), as amended by Presidential Regulation Number 105 Year 2016 regarding

Amendment to the Presidential Regulation Number 68 Year 2015 regarding Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2016 Number 289);

12. Regulation of Minister of Energy and Mineral Resources Number 13 Year 2016 regarding Organization and Work Procedures of Ministry of Energy and Mineral Resources (State Gazette of the Republic of Indonesia Year 2016 Number 782);

13. Regulation of Minister of Energy and Mineral Resources Number 11 Year 2018 regarding Procedure for the Granting of Area, Licensing and Reporting in the Business Activity of Mineral and Coal Mining (State Gazette of the Republic of Indonesia Year 2018 Number 295);

HEREBY DECIDES:

Stipulates : REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCES REGARDING AMENDMENT TO REGULATION OF MINISTER OF ENERGY AND MINERAL RESOURCE

REGARDING PROCEDURE FOR THE GRANTING OF THE  
AREA, LICENSING AND REPORTING IN THE BUSINESS  
ACTIVITY OF MINERAL AND COAL MINING.

Article I

Several provisions in the Regulation of Minister of Energy and Mineral Resources Number 11 Year 2018 regarding Procedure for the Granting of Area, Licensing and Reporting in the Business Activity of Mineral and Coal Mining (State Gazette of the Republic of Indonesia Year 2018 Number 295) are amended as follows:

1. Provision paragraph (1) of Article 9 is amended, therefore Article 9 shall be expressed as follows:

Article 9

(1) The information compensation price of the Mining Business License Area (WIUP) and Special Mining Business License Area (WIUPK) as referred to in Article 8 paragraph (1) letter c shall be set based on the availability of the data and information.

(2) The price of information compensation of the Mining Business License Area (WIUP) and Special Mining



Business License Area (WIUPK) as referred to in paragraph (1) shall be determined in accordance with the calculation formula for information compensation price stipulated by the General Director on behalf of the Minister.

2. Provision Article 18 is amended, therefore Article 18 shall be expressed as follows:

Article 18

Metal Mineral Mining Business License Area (WIUP) and Coal Mining Business License Area (WIUP) that has been determined as referred to in Article 10 paragraph (1) shall be given by the Minister or governor, in his reasonable capacity, through an Auction to a Business Entity, cooperatives, and individual person party.

3. Provision paragraph (3) and paragraph (4) of Article 25 is amended, therefore Article 25 shall be expressed as follows:

Article 25

(1) The document evaluation performed in the prequalification as referred to in Article 24

paragraph (1) point a shall be implemented by:

- a. Checking the completeness of the administrative, technical, and financial requirements that have to be met by the participants of the Auction; and
- b. Evaluating the technical requirements including the completeness, reasonability, and quality of the Data about:
  1. Experience in mining that contributes 20 % (twenty percent) to the total technical requirement;
  2. Availability of human resources that contributes 35 % (thirty five percent) to the total technical requirement; and
  3. Work plan that contributes 45 % (forty five percent) to the total technical requirement

(2) The Auction Committee shall determine the ranks of the prospective winner of the Metal Mineral Mining Business License Area (WIUP) or Coal Mining Business License Area (WIUP) by the total of:

- a. The total value of the participant from the prequalification evaluation; and
- b. The total value of the bid based on the ranks.

- (3) The value from the prequalification evaluation as referred to in paragraph (2) letter a shall give 40% (forty percent) contribution.
- (4) The bid value based on ranks as referred to in paragraph (2) letter b shall give 60% (sixty percent) contribution.
- (5) In evaluating the bid price, the Auction committee shall not alter, add, and reduce the bid price statement with any reasons whatsoever.
- (6) The Auction Committee shall determine the ranks of the prospective winners of the Auction in accordance with the evaluation results as referred to in paragraph (1) up to paragraph (4), which is recorded in the minutes of the Auction.
4. Between Article 30 and Article 31, 1 (one) Article will be inserted, i.e. Article 30A shall be expressed as follows:

#### Article 30A

- (1) In order to the implementation of the Special Mining Business License Area (WIUPK) Auction as referred to

in Article 30 paragraph (1) and paragraph (2), the Minister shall be arranged An Auction Committee of Metal Mineral Special Mining Business License Area (WIUPK) and/or Coal Special Mining Business License Area (WIUPK)

(2) The provisions concerning the Auction procedures, evaluation of prequalification phase documents, evaluation of bid price, weight values of evaluation results of prequalification and bid price, as well as the ranking determination of prospective Auction winner of Metal Mineral Mining Business License Area (WIUP) or Coal Mining Business License Area (WIUP) as referred to in Article 24 and Article 25 apply mutatis mutandis to the Auction procedures, evaluation of prequalification phase documents, evaluation of bid price, weight values of evaluation results of prequalification and bid price, as well as the ranking determination of prospective Auction winner of Metal Mineral Special Mining Business License Area (WIUPK) and/or Coal Special Mining Business License Area (WIUPK).

5. Provision Article 66 is amended, therefore Article 66 shall be expressed as follows:

Article 66

The holders of Mining Business License (IUP) for Production Operation specifically for processing and/or purification shall be entitled to:

a. process and/or purify of mining commodities from the holders:

1. Mining Business License (IUP) for Production Operation;
2. Special Mining Business License (IUPK) for Production Operation;
3. Mining Business License (IUP) for Production Operation specifically for processing and/or purification;
4. People Mining Permit;
5. Mining Business License (IUP) for Production Operation specifically for others transportation and sales;
6. Contract of Work; and/or
7. Coal Mining Business Work Agreement (PKP2B),

b. Enter into cooperatives agreements with other parties in the utilization of residual and/or by-products of processing and/or purification products for domestic industrial raw materials;

c. Mixing mine commodity products to meet the buyer's

specifications; and

d. Utilizing the public facilities and/or infrastructure to support the business activities in accordance with the provisions of legislation.

6. Provision Article 69 is amended, therefore Article 69 shall be expressed as follows:

#### Article 69

The holders of Mining Business License (IUP) for Production Operation specifically for processing and/or purification are prohibited:

a. Undertake processing and/or purification of Mining results that is not originated from the holder:

1. Mining Business License (IUP) for Production Operation;
2. Special Mining Business License (IUPK) for Production Operation;
3. Mining Business License (IUP) for Production Operation specifically for processing and/or purification;
4. People Mining Permit;
5. Mining Business License (IUP) for Production Operation specifically for others transportation

and sales;

6. Contract of Work; and/or

7. Coal Mining Business Work Agreement (PKP2B),

b. Have the IUP, People Mining Permits, or IUPK, and Mining Service Business License (IUJP); and

c. Transfer the Mining Business License (IUP) for Production Operation specifically for processing and/or purification to other parties.

7. Provision Article 73 is amended, therefore Article 73 shall be expressed as follows:

Article 73

The holders of Mining Business License (IUP) for Production Operation specifically for transportation and sales shall be entitled to:

a. Buy, transport and sell the mineral and coal mining commodities from the holders:

1. Mining Business License (IUP) for Production Operation;

2. Special Mining Business License (IUPK) for Production Operation;

3. Mining Business License (IUP) for Production Operation specifically for processing and/or

- purification;
4. People Mining Permit;
  5. Mining Business License (IUP) for Production Operation specifically for others transportation and sales;
  6. Contract of Work; and/or
  7. Coal Mining Business Work Agreement (PKP2B),
- b. Construct and/or use the Transportation and Sales facilities and infrastructure, which include stockpile, port, or special port in accordance with the provision of laws and legislations.
8. Provision Article 75 is amended, therefore Article 75 shall be expressed as follows:

Article 75

A holder of a Mining Business License (IUP) for Production Operation specifically for transportation and sales is prohibited to:

- a. Perform any Transportation and Selling activities of mineral or coal commodity that is not originated from the area of the holder;
  1. Mining Business License (IUP) for Production Operation;



2. Special Mining Business License (IUPK) for Production Operation;
  3. Mining Business License (IUP) for Production Operation specifically for processing and/or purification;
  4. People Mining Permit;
  5. Mining Business License (IUP) for Production Operation specifically for others transportation and sales;
  6. Contract of Work; and/or
  7. Coal Mining Business Work Agreement (PKP2B),
- b. Perform any Transportation and Selling activities of Mineral or Coal commodity between provinces and/or states for a holder of Mining Business License (IUP) for Production Operation specifically for transportation and sales that is issued by the governor;
  - c. Purchase Mineral or Coal commodity in the mine mouth;
  - d. Transfer its Mining Business License to another party; and
  - e. Hold a Mining Business License, People's Mining License, Special Mining Business License, special

Mining Business License in Operation and Production  
for processing and/or purification.

Article II

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 16 April 2018

MINISTER OF ENERGY AND MINERAL RESOURCES  
THE REPUBLIC OF INDONESIA,

[signed]

IGNASIUS JONAN

Enacted in Jakarta

On the date of 18 April 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  
528

In conformity with the original

MINISTRY OF ENERGY AND MINERAL RESOURCES

Head of Legal Bureau

[signed and sealed]

HUFRON ASROFI

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