

LAW OF THE REPUBLIC OF INDONESIA NUMBER 4 OF 2009  
ON  
MINERAL AND COAL MINING

BY THE BLESSINGS OF ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering : a. that minerals and coal found in the Indonesian mining jurisdiction constituting nonrenewable natural resources as a blessing of Almighty God play an important role in meeting the living needs of the public at large, therefore, the management thereof must be controlled by the State to provide real added value to the national economy in an effort to bring prosperity and welfare to the people in a just manner;

b. that mineral and coal mining business activities constituting mining business activities outside geothermal energy, oil and natural gas, and groundwater have played a crucial role in generating real added value for national economic growth and regional development in a sustainable manner;

c. that in consideration of national and international developments, Law Number 11 of 1967 on Basic Provisions of Mining is no longer deemed compatible, therefore it is necessary to make amendments to the legislation in the field of mineral and coal mining that can be used to manage and exploit potential minerals and coal for business in an independent, reliable, transparent, competitive, efficient and environmentally sound manner to ensure sustainable national development;

d. that based on the considerations as referred to in point a, point b, and point c, it is necessary that a Law on Mineral and Coal Mining be made;

Observing : Article 5 section (1), Article 20 and Article 33 section (2) and section (3) of the 1945 Constitution of the Republic of Indonesia;

To enact : HAS DECIDED:  
LAW ON MINERAL AND COAL MINING.

CHAPTER I  
GENERAL PROVISI

## Article 1

In this Law:

1. Mining means a part or all of the phases of an activity in connection with the research, management, and enterprise of minerals or coal that include general survey, exploration, feasibility study, construction, mine activity, processing and refining, transportation and sale, and postmining activities.
2. Mineral means any naturally occurring inorganic compound, having specific physical and chemical characteristics as well as a regular crystal composition or a combination thereof, that forms rocks, whether loose or solid.
3. Coal means any deposit of carbon organic compounds formed naturally from the remains of plants.
4. Mineral Mining means the mining of a collection of minerals in the form of ores or rocks excluding geothermal resources, oil and natural gas, and groundwater.
5. Coal Mining means the mining of carbonaceous sediments found underground, including solid bitumen, peat, and rock asphalt.
6. Mining Business means an activity with respect to the mineral or coal enterprise that includes general survey, exploration, feasibility study, construction, mine activity, processing and refining, transportation and sale, as well as postmining activities.
7. Mining Business License (*Izin Usaha Pertambangan*), hereinafter referred to as IUP, means the license to conduct mining business.
8. IUP for Exploration means the business license granted to conduct the phases of general survey, exploration, and feasibility study activities.
9. IUP for Production Operation means the business license granted after the completion of IUP for Exploration to conduct the phase of production operation activities.
10. People's Mining License (*Izin Pertambangan Rakyat*), hereinafter referred to as IPR, means the license granted to conduct mining business within a people's mining area with a limited area size and investment.
11. Special Mining Business License (*Izin Usaha Pertambangan Khusus*), hereinafter referred to as IUPK, means the license to conduct mining business in a special mining business license area.
12. IUPK for Exploration means the business license granted to conduct the phases of general survey, exploration, and feasibility study activities within a special mining business license area.
13. IUPK for Production Operation means the business license granted after the completion of IUPK for Exploration to conduct the phase of production operation activities within a special mining business license area.
14. General Survey means a phase of the mining activities to ascertain the regional geological conditions and any indications of mineralization.
15. Exploration means a phase of the mining business activities to obtain detailed and accurate information on

the location, shape, dimension, spread, quality, and measured resources of mined materials, and information on the social environment and the natural environment.

16. Feasibility Study means a phase of the mining business activities to obtain detailed information on all relevant aspects required to determine the economic and technical feasibility of a mining business, including the environmental impact assessment and postmining planning.
17. Production Operation means a phase of the mining business activities that includes construction, mine, processing, refining, including transportation and sale as well as environmental impact control facilities in accordance with the results of the feasibility study.
18. Construction means a mining business activity to build all the production operation facilities including those for environmental impact control.
19. Mine means a part of the mining business activities to produce minerals and/or coal and their associated minerals.
20. Processing and Refining means the mining business activities to increase the quality of minerals and/or coal and to utilize and obtain associated minerals.
21. Transportation means a mining business activity to haul minerals and/or coal from the mine area and/or the processing and refining areas to the delivery area.
22. Sale means a mining business activity to sell minerals or coal products.
23. Business Entity means any legal entity engaged in the mining sector, incorporated under the Indonesian law and domiciled within the territory of the Unitary State of the Republic of Indonesia.
24. Mining Services means any support services related to mining business activities.
25. Environmental Impact Assessment (*Analisis Mengenai Dampak Lingkungan*), hereinafter referred to as amdal, means a study on the major and significant impacts of a planned business and/or activity on the environment required for the decision-making process on the operation of a business and/or an activity.
26. Reclamation means an activity carried out during all the phases of the mining business aimed at organizing, restoring, and improving the quality of the environment and the ecosystem to allow them to function as intended.
27. Postmining activity, hereinafter referred to as postmining, means a planned, systematic and sustainable activity after the completion of a part or all of the mining business activities to restore the natural environmental and social functions according to the local conditions throughout the entire mine area.
28. Community Empowerment means an effort made to enhance the ability of a community, both individually and collectively, to improve the level of their standard of living.
29. Mining Area (*Wilayah Pertambangan*), hereinafter referred to as WP, means an area that has mineral and/or coal potential and is not bound by the governmental

administrative boundaries that constitute part of the national spatial layout.

30. Mining Business Area (*Wilayah Usaha Pertambangan*), hereinafter referred to as WUP, means a part of WP that has geological data, potential, and/or information.
31. Mining Business License Area (*Wilayah Izin Usaha Pertambangan*), hereinafter referred to as WIUP, means an area granted to an IUP holder.
32. People's Mining Area (*Wilayah Pertambangan Rakyat*), hereinafter referred to as WPR, means a part of WP where people's mining business activities are conducted.
33. State Reserve Area (*Wilayah Pencadangan Negara*), hereinafter referred to as WPN, means a part of WP that is reserved for national strategic interests.
34. Special Mining Business Area (*Wilayah Usaha Pertambangan Khusus*), hereinafter referred to as WUPK, means a part of WPN that may be exploited for business.
35. Special Mining Business License Area in WUPK (*Wilayah Izin Usaha Pertambangan Khusus*), hereinafter referred to as WIUPK, means the area granted to an IUPK holder.
36. Central Government, hereinafter referred to as the Government, means the President of the Republic of Indonesia who holds the executive power of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
37. Regional government means the governors, the regents or the mayors, and the regional instrumentalities as the elements of regional government administration.
38. Minister means the minister administering governmental affairs in the field of mineral and coal mining.

## CHAPTER II PRINCIPLES AND OBJECTIVES

### Article 2

Mineral and/or coal Mining are managed based on the principles of:

- a. benefit, justice, and balance;
- b. partiality for the interests of the nation;
- c. participation, transparency, and accountability;
- d. sustainability and environmental soundness.

### Article 3

In support of sustainable national development, the objectives of mineral and coal management are:

- a. to guarantee that mining business activities are conducted and controlled in an effective, efficient and competitive manner;
- b. to guarantee the benefits of sustainable and environmentally sound mineral and coal mining;
- c. to guarantee the availability of minerals and coal as raw materials and/or sources of energy for domestic requirements;
- d. to support and develop national capabilities to be more competitive nationally, regionally and internationally;

- e. to increase the income of the local community, regions, and state, as well as to create job opportunities for the greatest prosperity of the people; and
- f. to guarantee legal certainty in conducting mineral and coal mining business activities.

### CHAPTER III CONTROL OF MINERALS AND COAL

#### Article 4

- (1) Minerals and coal as nonrenewable natural resources constitute the national wealth controlled by the state for the greatest prosperity of the people.
- (2) The control of minerals and coal by the state as referred to in section (1) is exercised by Government and/or the regional government.

#### Article 5

- (1) In the national interests, the Government after consulting with the House of Representatives of the Republic of Indonesia may adopt a policy to prioritize minerals and/or coal for domestic interests.
- (2) The national interests as referred to in section (1) may be realized by controlling the production and export.
- (3) In exercising the control as referred to in section (2), the Government has the authority to determine the annual production quantity of each commodity for each province.
- (4) The regional government shall comply with the provisions on the production quantity determined by the Government as referred to in section (3).
- (5) Further provisions regarding the prioritization of minerals and/or coal for domestic interests as referred to in section (1) and the control of the production and export as referred to in section (2) and section (3) are regulated by a government regulation.

### CHAPTER IV AUTHORITY OVER THE MANAGEMENT OF MINERAL AND COAL MINING

#### Article 6

- (1) The Government's authority over the management of mineral and coal mining includes, among others:
  - a. to establish a national policy;
  - b. to make legislation;
  - c. to establish national standards, guidelines and criteria;
  - d. to establish a national mineral and coal mining licensing system;
  - e. to designate WP after coordination with the regional government and consulting with the House of Representatives of the Republic of Indonesia;

- f. to grant IUP, provide guidance, settle community conflicts, and supervise mining business, the location of which overlaps the provincial boundaries and/or in the territorial sea exceeding 12 (twelve) miles off the coastline;
- g. to grant IUP, provide guidance, settle community conflicts, and supervise mining business, the mine site of which overlaps the provincial boundaries and/or in the territorial sea exceeding 12 (twelve) miles off the coastline;
- h. to grant IUP, provide guidance, settle community conflicts, and supervise production operation mining business with direct environmental impacts overlapping the provincial boundaries and/or in the territorial sea exceeding 12 (twelve) miles off the coastline;
- i. to grant IUPK for Exploration and IUPK for Production Operation;
- j. to evaluate any IUP for Production Operation issued by the regional government that has caused environmental damage and has failed to apply good mining practice principles;
- k. to establish policies on production, marketing, utilization, and conservation;
- l. to establish policies on cooperation, partnership, and community empowerment;
- m. to formulate and establish non-tax state revenues generated from mineral and coal mining business;
- n. to provide guidance and supervision on the management of mineral and coal mining carried out by the regional government;
- o. to provide guidance and supervision on the drafting of regional regulations in the field of mining;
- p. to conduct inventory, surveys, research, and exploration for obtaining data and information on minerals and coal as materials for the establishment of WUP and WPN;
- q. to manage geological information, mineral and coal resource potential information, and mining information at a national level;
- r. to provide guidance and supervision on postmining area reclamation;
- s. to prepare a mineral and coal resource balance sheet at a national level;
- t. to develop and increase added value to mining business activities;
- u. to improve the capability of the apparatuses of the Government, the provincial government, and the regency/municipality government in the management of mining business.

(2) The authority of the Government as referred to in section (1) is exercised in accordance with the provisions of legislation.

### Article 7

- (1) The authority of the provincial government in the management of mineral and coal mining is, among others:
  - a. to make regional regulations;
  - b. to grant IUP, provide direction, settle community conflicts, and supervise mining business, the location of which overlaps the regency/municipality boundaries and/or in the territorial sea between 4 (four) miles and 12 (twelve) miles;
  - c. to grant IUP, provide direction, settle community conflicts, and supervise production operation mining business, the activities of which overlap the regency/municipality boundaries and/or in the territorial sea between 4 (four) miles and 12 (twelve) miles;
  - d. to grant IUP, provide direction, settle community conflicts, and supervise production operation mining business with direct environmental impacts overlapping the regency/municipality boundaries and/or in the territorial sea between 4 (four) miles and 12 (twelve) miles off the coastline;
  - e. to conduct inventory, surveys and research and exploration for obtaining data and information on minerals and coal in accordance with its authority;
  - f. to manage geological information, mineral and coal resource potential information, and mining information at a regional/provincial level;
  - g. to prepare a mineral and coal resource balance sheet at a regional/provincial level;
  - h. to develop and increase added value to mining business activities in the province;
  - i. to develop and improve the community's participation in mining business with due observance to the environmental conservation;
  - j. to coordinate licenses and exercise the supervision of the use of explosives in a mining area accordance with its authority;
  - k. to deliver information on the results of the inventory, general survey, and research as well as exploration to the Minister and the regent/mayor;
  - l. to deliver information on products, domestic sales, and export to the Minister and the regent/mayor;
  - m. to direct and supervise the postmining area reclamation; and
  - n. to improve the capability of the apparatuses of the provincial government and the regency/municipality government's apparatuses in the management of mining business.
- (2) The authority of the provincial government as referred to in section (1) is exercised in accordance with the provisions of legislation.

### Article 8

- (1) The authority of the regency/municipal government in the management of mineral and coal mining is, among others,
  - a. to make regional regulations;

- b. to grant IUP and IPR, provide guidance, settle community conflicts, and supervise mining business in the regency/municipality region and/or in the territorial sea up to 4 (four) miles;
- c. to grant IUP and IPR, provide guidance, settle community conflicts, and supervise production operation mining business, the activities of which are conducted in the regency/municipality area and/or in the territorial sea up to 4 (four) miles;
- d. to conduct inventory, surveys and research as well as exploration for obtaining data and information on minerals and coal;
- e. to manage geological information, mineral and coal resource potential information, and mining information at a regency/municipality area;
- f. to prepare a mineral and coal resource balance sheet at a regency/municipality area;
- g. to develop and empower the local community in mining business with due observance to the environmental conservation;
- h. to develop and increase added value to and benefits from mining business activities optimally;
- i. to deliver information on the results of the inventory, general survey, and research as well as exploration and exploitation to the Minister and the governor;
- j. to deliver information on products, domestic sales, as well as export to the Minister and the governor;
- k. to provide guidance and supervision on the postmining area reclamation; and
- l. to improve the capability of the apparatuses of the regency/municipality government in managing mining business.

(2) The authority of the regency/municipality government as referred to in section (1) is exercised in accordance with the provisions of legislation.

## CHAPTER V MINING AREAS

### Part One General

#### Article 9

(1) WP as part of the national spatial layout constitutes a basis for mining activities designation.

(2) WP as referred to in section (1) is designated by the Government after coordinating with the regional government and consulting with the House of Representatives of the Republic of Indonesia.

#### Article 10

The designation of WP as referred to in Article 9 section (2) is implemented:

- a. in a transparent, participatory, and responsible manner;

- b. in an integrated manner, with due regard to the opinions of relevant government agencies and the community, and considering ecological, economic, social and cultural, and environmental aspects; and
- c. with due regard to regional aspirations.

#### Article 11

The Government and the regional government shall conduct a mining survey and research to prepare WP.

#### Article 12

Further provisions on the boundaries, area size, and mechanism of the designation of WP as referred to in Article 9, Article 10 and Article 11 are regulated by a government regulation.

#### Article 13

WP consists of:

- a. WUP;
- b. WPR; and
- c. WPN.

### Part Two Mining Business Areas

#### Article 14

- (1) The designation of WUP is implemented by the Government after coordinating with the regional government and informed in writing to the House of Representatives of the Republic of Indonesia.
- (2) The coordination as referred to in section (1) is carried out with the relevant regional government based on the data and information available with the Government and the regional government.

#### Article 15

The Government may delegate part of its authority in designating WUP as referred to in Article 14 section (1) to the provincial government in accordance with the provisions of legislation.

#### Article 16

One WUP consists of 1 (one) or several WIUP, the location of which overlaps the provincial boundaries, the regency/municipality boundaries, and/or in 1 (one) regency/municipality region.

#### Article 17

The area size and boundaries of WIUP for metallic minerals and coal are designated by the Government in coordination with the regional government based on the criteria established by the Government.

#### Article 18

The criteria for designating 1 (one) or several WIUP in 1 (one) WUP are as follows:

- a. the geographical location;
- b. the conservation principles;
- c. the carrying capacity of the environment;
- d. the optimization of mineral and/or coal resources; and
- e. the rate of population density.

#### Article 19

Further provisions regarding the procedure for determining the boundaries and area size of WIUP as referred to in Article 17 are regulated by the government regulation.

### Part Three People's Mining Areas

#### Article 20

People's mining activities are conducted in WPR.

#### Article 21

WPR as referred to in Article 20 is designated by the regent/mayor after consulting with the regency/municipality House of Representatives.

#### Article 22

The criteria for designating WPR are as follows:

- a. having secondary mineral reserves contained in the river and/or point bar;
- b. having primary metal or coal reserves at a maximum depth of 25 (twenty-five) meters;
- c. terrace deposits, floodplains, and ancient river deposits;
- d. the maximum size area of the people's mining area is 25 (twenty-five) hectares;
- e. specifying the types of commodities to be mined; and/or
- f. constituting an area or a people's mine site that has been operated for at least 15 (fifteen) years.

#### Article 23

In designating WPR as referred to in Article 21, the regent/mayor has the obligation to announce the WPR plan to the public transparently.

#### Article 24

The people's mining area or site that has been operated but has not been designated as WPR is prioritized to be designated as WPR.

#### Article 25

Further provisions regarding the guideline, procedure, and designation of WPR as referred to in Articles 21 and Article 23 are regulated by a government regulation.

#### Article 26

Further provisions regarding the criteria and mechanism for the designation of WPR as referred to in Article 22 and Article 23 are regulated by a regency/municipality regulation.

Part Four  
State Reserve Area

Article 27

- (1) In the national strategic interests, the Government with the approval of the House of Representatives of the Republic of Indonesia and with due regard to regional aspirations designates WPN as an area reserved for certain commodities and a conservation area to maintain the ecosystem and environmental balance.
- (2) WPN designated for certain commodities as referred to in section (1) may be exploited for business with the approval of the House of Representatives of the Republic of Indonesia.
- (3) The time limit of WPN designated for conservation as referred to in section (1) is determined with the approval of the House of Representatives of the Republic of Indonesia.
- (4) The status of the area to be exploited for business as referred to in section (2) and section (3) becomes WUPK.

Article 28

The change of the status of WPN as referred to in Article 27 section (2), section (3) and section (4) to WUPK may be made by considering:

- a. the fulfillment of domestic requirements for industrial raw materials and energy;
- b. the country's sources of foreign exchange;
- c. the condition of the area based on the limitations of facilities and infrastructure;
- d. the potential for development as an economic growth center;
- e. the carrying capacity of the environment; and/or
- f. the use of high technology and large capital investment.

Article 29

- (1) The WUPK as referred to in Article 27 section (4) to be exploited for business is designated by the Government after coordinating with the regional government.
- (2) The mining business activity at WUPK as referred to in section (1) is conducted in the form of IUPK.

Article 30

One WUPK consists of 1 (one) or several WIUPK, the location of which overlaps the provincial boundaries, the regency/municipality boundaries, and/or in 1 (one) regency/municipality region.

Article 31

The area size and boundaries of WIUPK for metallic minerals and coal are designated by the Government in coordination with the regional government based on the criteria established by the Government.

Article 32

The criteria for designating 1 (one) or several WIUPK in 1 (one) WUPK are as follows:

- a. the geographical location;
- b. the conservation principles;
- c. the carrying capacity of the environment;
- d. the optimization of mineral and/or coal resources; and
- e. the rate of population density.

#### Article 33

Further provisions regarding the procedure for designating the boundaries and area size of WIUPK as referred to in Article 31 and Article 32 are regulated by a government regulation.

### CHAPTER VI MINING BUSINESS

#### Article 34

- (1) Mining business is grouped into:
  - a. mineral mining; and
  - b. coal mining.
- (2) The mineral mining as referred to in section (1) point (a) is classified into:
  - a. radioactive mineral mining;
  - b. metallic mineral mining;
  - c. nonmetallic mineral mining; and
  - d. rock mining.
- (3) Further provisions on the classification of a mining commodity into a mineral mining group as referred to in section (2) are regulated by a government regulation.

#### Article 35

The mining business as referred to in Article 34 is conducted in the following forms:

- a. IUP;
- b. IPR; and
- c. IUPK.

### CHAPTER VII MINING BUSINESS LICENSE

#### Part One General

#### Article 36

- (1) IUP consists of two phases:
  - a. IUP for Exploration includes general survey, exploration and feasibility studies;
  - b. IUP for Production Operation includes construction, mine, processing and refining, and transportation and sale activities.
- (2) The holder of IUP for Exploration and the holder of IUP for Production Operation may conduct part or all of the activities as referred to in section (1).

#### Article 37

IUP is granted by:

- a. the regent/mayor if WIUP is located in one regency/municipality area;

- b. the governor if WIUP is located in an area that overlaps the regency/municipality boundaries within one province after having received recommendation from the relevant regent/mayor in accordance with the provisions of legislation; and
- c. the Minister if WIUP is located in an area that overlaps the provincial boundaries, after having received recommendation from the relevant governor and regent/mayor in accordance with the provisions of legislation.

#### Article 38

IUP is granted to:

- a. business entities;
- b. cooperatives; and
- c. individuals.

#### Article 39

- (1) IUP for Exploration as referred to in Article 36 section (1) point (a) shall contain at least the following provisions:
  - a. the name of the company;
  - b. the location and area size;
  - c. the general spatial layout plan;
  - d. the sincerity guarantee;
  - e. the investment capital;
  - f. the extension of the activity stage period;
  - g. the rights and obligations of the IUP holder;
  - h. the validity period of each activity stage;
  - i. the type of business granted;
  - j. the development and empowerment plan for the community around the mining area.
  - k. the taxation;
  - l. the dispute settlement;
  - m. the deadrents and exploration fees; and
  - n. *amdal*.
- (2) IUP for Production Operation as referred to in Article 36 section (1) (b) shall contain at least the following provisions:
  - a. the name of the company;
  - b. the area size;
  - c. the mine site;
  - d. the processing and refining locations;
  - e. the transportation and sale;
  - f. the investment capital;
  - g. the validity period of IUP;
  - h. the period of each activity stage;
  - i. the settlement of land issues;
  - j. the environment including reclamation and postmining;
  - k. the reclamation and postmining guarantee funds;
  - l. the extension of IUP;
  - m. the rights and obligations of the IUP holder;
  - n. the plan for the development and empowerment of the community around the mining area;
  - o. the taxation;
  - p. the nontax state revenues consisting of deadrents and production royalties;

- q. the settlement of disputes;
- r. the occupational safety and health;
- s. the conservation of minerals and coal;
- t. the utilization of domestic goods, services, and technology;
- u. the application of the good economic and mining engineering principles;
- v. the development of Indonesian workforce;
- w. the management of mineral or coal data; and
- x. the mastery, development, and application of mineral or coal mining technology.

#### Article 40

- (1) IUP as referred to in Article 36 section (1) is granted for 1 (one) type of minerals or coal.
- (2) The IUP holder as referred to in section (1) that finds other minerals in WIUP being managed is given priority to exploit them for business.
- (3) The IUP holder intending to exploit for business such other minerals as referred to in section (2) shall apply for a new IUP application to the Minister, the governor, and the regent/mayor in accordance with their authority.
- (4) The IUP holder as referred to in section (2) may express that it is not interested in exploiting for business such other minerals.
- (5) The IUP holder not interested in exploiting for business such other minerals as referred to in section (4) shall safeguard such other minerals to prevent them being utilized by other parties.
- (6) IUP for other minerals as referred to in section (4) and section (5) may be granted to other parties by the Minister, the governor, and the regent/mayor in accordance with their authority.

#### Article 41

IUP may not be used for the purposes other than as intended in IUP.

### Part Two IUP for Exploration

#### Article 42

- (1) IUP for Exploration for metallic mineral mining may be granted for a maximum period of 8 (eight) years.
- (2) IUP for Exploration for nonmetallic mineral mining may be granted for a maximum period of 3 (three) years and a maximum period of 7 (seven) years for specific typed nonmetallic minerals.
- (3) IUP for Exploration for rock mining may be granted for a maximum period of 3 (three) years.
- (4) IUP for Exploration for coal mining may be granted for a maximum period of 7 (seven) years.

#### Article 43

- (1) In the event of exploration and feasibility study activities, the holder of IUP for Exploration that finds minerals and coal mined along shall report it to the grantor of IUP.
- (2) The holder of IUP for Exploration intending to sell the minerals and coal as referred to in section (1) shall apply for a temporary license for transportation and sale.

#### Article 44

The temporary license as referred to in Article 43 section (2) is granted by the Minister, the governor, or the regent/mayor according to their authority.

#### Article 45

The minerals or coal mined along as referred to in Article 43 are subject to production royalties.

### Part Three IUP for Production Operation

#### Article 46

- (1) Every IUP for Exploration holder is guaranteed to obtain IUP for Production Operation as the continuation of their mining business.
- (2) IUP for Production Operation may be granted to business entities, cooperatives, or individuals as a result of a tender of mineral or coal WIUP already having data on the feasibility study results.

#### Article 47

- (1) IUP for Production Operation for metallic mineral mining may be granted for a maximum period of 20 (twenty) years and may be extended twice for 10 (ten) years each time.
- (2) IUP for Production Operation for nonmetallic mineral mining may be granted for a maximum period of 10 (ten) years and may be extended twice for 5 (five) years each time.
- (3) IUP for Production Operation for the mining of specific typed nonmetallic minerals may be granted for a maximum period of 20 (twenty) years and may be extended twice for 10 (ten) years each time.
- (4) IUP for Production Operation for rock mining may be granted for a maximum period of 5 (five) years and may be extended twice for 5 (five) years each time.
- (5) IUP for Production Operation for coal mining may be granted for a maximum period of 20 (twenty) years and may be extended twice for 10 (ten) years each time.

#### Article 48

IUP for Production Operation is granted by:

- a. The regent/mayor if the mine site, processing and refining locations and the port are situated within one regency/municipality region;

- b. The governor if the mine site, processing and refining locations and the port are situated in different regency/municipality regions, after obtaining recommendation from the relevant regent/mayor in accordance with the provisions of legislation; and
- c. The Minister if the mine site, the processing and refining locations and the port are situated in different provinces, after obtaining recommendation from the relevant governor and the relevant regent/mayor in accordance with the provisions of legislation.

#### Article 49

Further provisions on the procedure for the granting of IUP for Exploration as referred to in Article 42 and IUP for Production Operation as referred to in Article 46 are regulated by a government regulation.

### Part Four Mineral Mining

#### Paragraph 1 Radioactive Mineral Mining

#### Article 50

WUP for radioactive minerals is designated by the Government and its enterprise is conducted in accordance with the provisions of legislation.

#### Paragraph 2 Metallic Mineral Mining

#### Article 51

WUP for metallic minerals is granted to business entities, cooperatives and individuals through a tender.

#### Article 52

- (1) The holder of IUP for Exploration of metallic minerals is granted WIUP with an area size of at least 5,000 (five thousand) hectares and at most 100,000 (one hundred thousand) hectares.
- (2) IUP may be granted to another party for an area that has been granted IUP for Exploration of metallic minerals to exploit other minerals of different occurrences for business.
- (3) IUP as referred to in section (2) is granted upon consideration of the opinions of the first IUP holder.

#### Article 53

The holder of IUP for Production Operation of metallic minerals is granted WIUP with a maximum area size of 25,000 (twenty-five thousand) hectares.

#### Paragraph 3 Nonmetallic Mineral Mining

#### Article 54

WIUP for nonmetallic minerals is granted to business entities, cooperatives, and individuals by filing an area application to the license issuer as referred to in Article 37.

#### Article 55

- (1) The holder of IUP for Exploration of nonmetallic minerals is granted WIUP with an area size of at least 500 (five hundred) hectares and at most 25,000 (twenty-five thousand) hectares.
- (2) IUP may be granted to another party for an area that has been granted IUP for Exploration of nonmetallic minerals to exploit other minerals of different occurrences for business.
- (3) IUP as referred to in section (2) is granted upon consideration of the opinions of the first IUP holder.

#### Article 56

The holder of IUP for Production Operation of nonmetallic minerals is granted WIUP with an area size of at most 5,000 (five thousand) hectares.

#### Paragraph 4 Rock Mining

#### Article 57

WIUP for rock mining is granted to business entities, cooperatives, and individuals by filing an area application to the license issuer as referred to in Article 37.

#### Article 58

- (1) The holder of IUP for Exploration of rock is granted WIUP with an area size of at least 5 (five) hectares and at most 5,000 (five thousand) hectares.
- (2) IUP may be granted to another party for an area that has been granted IUP for Exploration of rocks to exploit other minerals of different occurrences for business.
- (3) IUP as referred to in section (2) is granted upon consideration of the opinions of the first IUP holder.

#### Article 59

The holder of IUP for Production Operation of rocks is granted WIUP with an area size of at most 1,000 (one thousand) hectares.

#### Part Five Coal Mining

#### Article 60

WIUP for Coal is granted to business entities, cooperatives, and individuals through a tender.

#### Article 61

- (1) The holder of IUP for Exploration of coal is granted WIUP with an area size of at least 5,000 (five thousand) hectares and at most 50,000 (fifty thousand) hectares.

- (2) IUP may be granted to another party for an area that has been granted IUP for Exploration of coal to exploit other minerals of different occurrences for business.
- (3) IUP as referred to in section (2) is granted upon consideration of the opinions of the first IUP holder.

#### Article 62

The holder of IUP for Production Operation of coal is granted WIUP with an area size of at most 15,000 (fifteen thousand) hectares.

#### Article 63

Further provisions on the procedure for obtaining WIUP as referred to in Article 51, Article 54, Article 57, and Article 60 are regulated by a government regulation.

### CHAPTER VIII REQUIREMENTS FOR MINING BUSINESS LICENSING

#### Article 64

The Government and the regional government, in accordance with their authority have the obligation to announce the mining business activity plan in WIUP as referred to in Article 16 and grant IUP for Exploration and IUP for Production Operation as referred to in Article 36 to the public transparently.

#### Article 65

- (1) The business entities, cooperatives, and individuals as referred to in Article 51, Article 54, Article 57, and Article 60 that conduct mining business shall meet administrative, technical, environmental, and financial requirements.
- (2) Further provisions on the administrative, technical, environmental, and financial requirements as referred to in section (1) are regulated by a government regulation.

### CHAPTER IX PEOPLE'S MINING LICENSE

#### Article 66

The people's mining activities as referred to in Article 20 are grouped into as follows:

- a. metallic mineral mining;
- b. nonmetallic mineral mining;
- c. rock mining; and/or
- d. coal mining.

#### Article 67

- (1) The regent/mayor grants IPR particularly to local residents, either individuals or community groups and/or cooperatives;
- (2) The regent/mayor may delegate authority to grant IPR as referred to in section (1) to the subdistrict head in accordance with the provisions of legislation.
- (3) To obtain IPR as referred to in section (1), the applicant shall file an application to the regent/mayor.

### Article 68

- (1) The area size for 1 (one) IPR that may be granted to:
  - a. individuals is at most 1 (one) hectare;
  - b. community groups is at most 5 (five) hectares; and/or
  - c. cooperatives is at most 10 (ten) hectares.
- (2) IPR is granted for a maximum period of 5 (five) years and may be extended.

### Article 69

The IPR holder has the right to:

- a. obtain guidance and supervision in the field of occupational safety and health, the environment, technical mining practices, and management from the Government and/or the regional government; and
- b. receive capital assistance in accordance with the provisions of legislation.

### Article 70

The IPR holder shall:

- a. conduct mine activities not later than 3 (three) months after the issuance of IPR;
- b. comply with legislation in the field of mining occupational safety and health, environmental management, and meet the applicable standards;
- c. manage the environment together with the regional government;
- d. pay deadrents and production royalties; and
- e. submit a report on the execution of people's mining business activities periodically to the IPR issuer.

### Article 71

- (1) In addition to the obligations as referred to in Article 70, the holder of IPR in conducting people's mining activities as referred to in Article 66 shall comply with the provisions on mining technical requirements.
- (2) Further provisions regarding the mining technical requirements as referred to in section (1) are regulated by a government regulation.

### Article 72

Further provisions regarding the procedure for the granting of IPR are regulated by a regency/municipality regional regulation.

### Article 73

- (1) The regency/municipality government offers guidance in the field of enterprise, mining technology, capital, and marketing in an effort to increase the capability of people mining business.
- (2) The regency/municipality government is responsible for the technical safeguards for people's mining business including:
  - a. occupational safety and health;
  - b. environmental management; and
  - c. postmining.

- (3) In implementing the technical safeguards as referred to in section (2), the regency/municipality government shall appoint a mine inspector functional official in accordance with the provisions of legislation.
- (4) The regency/municipality government shall record the products of all people's mining business activities within its region and report them periodically to the Minister and the local governor.

## CHAPTER X SPECIAL MINING BUSINESS LICENSE

### Article 74

- (1) IUPK is granted by the Minister with due regard to the region's interests.
- (2) IUPK as referred to in section (1) is granted for 1 (one) type of metallic minerals or coal in 1 (one) WIUPK.
- (3) The IUPK holder as referred to in section (1) that finds other minerals in the WIUPK managed is given priority to exploit them for business.
- (4) The IUPK holder intending to exploit such other minerals as referred to in section (2) shall apply for a new IUPK to the Minister.
- (5) The IUPK holder as referred to in section (2) may express that it is not interested in exploiting such other minerals for business.
- (6) The IUPK holder not interested in exploiting such other minerals for business, as referred to in section (4) shall safeguard such other minerals to prevent them being utilized by other parties.
- (7) IUPK for such other minerals as referred to in section (4) and section (5) may be granted to another party by the Minister.

### Article 75

- (1) IUPK as referred to in Article 74 section (1) is granted in accordance with the consideration as referred to in Article 28.
- (2) IUPK as referred to in section (1) may be granted to business entities having Indonesian legal entity, either in the form of state-owned enterprises, regional-owned enterprises, or private business entities.
- (3) The state-owned enterprises and the regional-owned enterprises as referred to in section (2) have priority in obtaining IUPK.
- (4) The private business entities as referred to in section (2) obtain IUPK through a WIUPK tender.

### Article 76

- (1) IUPK consists of two stages:
  - a. IUPK for Exploration includes the activities of general survey, exploration, and feasibility study activities;
  - b. IUPK for Production Operation includes the activities of construction, mine, processing and refining, and transportation and sale.

- (2) The holder of IUPK for Exploration and the holder of IUPK for Production Operation may conduct part or all of activities as referred to in section (1).
- (3) Further provisions regarding the procedure for obtaining IUPK as referred to in section (1) are regulated by a government regulation.

#### Article 77

- (1) Every holder of IUPK for Exploration is guaranteed to obtain IUPK for Production Operation as the continuation of their mining business activities.
- (2) IUPK for Production Operation may be granted to business entities having Indonesian legal entity as referred to in Article 75 section (3) and section (4) already having data on the feasibility study results.

#### Article 78

IUPK for Exploration as referred to in Article 76 section (1) point (a) shall contain at least the following provisions:

- a. the name of the company;
- b. the location and area size;
- c. the general spatial layout plan;
- d. the sincerity guarantee;
- e. the investment capital;
- f. the extension of the activity stage period;
- g. the rights and obligations of the IUP holder;
- h. the validity period of each activity stage;
- i. the type of business granted;
- j. the development and empowerment plan for the community around the mining area;
- k. the taxation;
- l. the settlement of land disputes;
- m. the deadrents and exploration fees; and
- n. *amdal*.

#### Article 79

IUPK for Production Operation as referred to in Article 76 section (1) (b) shall contain at least the following provisions:

- a. the name of the company;
- b. the area size;
- c. the mine site;
- d. the processing and refining locations;
- e. the transportation and sale;
- f. the investment capital;
- g. the period of each activity stage;
- h. the settlement of land issues;
- i. the environment including reclamation and postmining;
- j. the reclamation and postmining guarantee funds;
- k. the validity period of IUPK;
- l. the extension of IUPK;
- m. the rights and obligations;
- n. the development and empowerment of the community around the mining area;
- o. the taxation;
- p. the deadrents and production royalties and state/regional income consisting of net profit sharing as of production;

- q. the settlement of disputes;
- r. the occupational safety and health;
- s. the conservation of minerals and coal;
- t. the utilization of domestic goods, services, technology, and domestic engineering and design capability;
- u. the application of the good economic and mining engineering principles;
- v. the development of Indonesian workforce;
- w. the management of mineral or coal data;
- x. the mastery, development, and application of mineral or coal mining technology; and
- y. the divestiture of shares.

#### Article 80

IUPK may not be used for the purposes other than as intended in IUPK.

#### Article 81

- (1) In the event of exploration and feasibility study activities, the holder of IUPK for Exploration that finds metallic minerals or coal mined along shall report it to the Minister.
- (2) The holder of IUPK for Exploration intending to sell the metallic minerals or coal as referred to in section (1) shall apply for a temporary license for transportation and sale.
- (3) The temporary license as referred to in section (2) is granted by the Minister.

#### Article 82

The minerals or coal mined along as referred to in Article 81 are subject to production royalties.

#### Article 83

Requirements for the area size and the period in accordance with the mining business groups applicable to the IUPK holder include:

- a. the size of 1 (one) WIUPK for the stage of the metallic mineral mining exploration activities is granted with a maximum area size of 100,000 (one hundred thousand) hectares.
- b. the size of 1 (one) WIUPK for the stage of metallic mineral mining production operation activities is granted with a maximum area of 25,000 (twenty-five thousand) hectares.
- c. the size of 1 (one) WIUPK for the stage of the coal mining exploration is granted with a maximum area of 50,000 (fifty thousand) hectares.
- d. the size of 1 (one) WIUPK for coal mining production operation activities with a maximum area of 15,000 (fifteen thousand) hectares.
- e. the period of IUPK for Exploration of metallic mineral mining may be granted for a maximum period of 8 (eight) years.
- f. the period of IUPK for Exploration of coal mining may be granted for a maximum period of 7 (seven) years.

g. the period of IUPK for Production Operation of metallic minerals and coal may be granted for a maximum period of 20 (twenty) years and may be extended 2 (two) times of 10 (ten) years each time.

#### Article 84

Further provisions regarding the procedure for obtaining WIUPK as referred to in Article 74 section (2) and section (3) and Article 75 section (3) are regulated by a government regulation.

### CHAPTER XI REQUIREMENTS FOR SPECIAL MINING BUSINESS LICENSING

#### Article 85

The Government has the obligation to announce plans for mining business activities in WIUPK as referred to in Article 30 and grant IUPK for Exploration and IUPK for Production Operation as referred to in Article 76 to the public transparently.

#### Article 86

- (1) The business entities as referred to in Article 75 section (2) that conduct activities in WIUPK shall meet administrative, technical, environmental, and financial requirements.
- (2) Further provisions regarding the administrative, technical, environmental, and financial requirements as referred to in section (1) are regulated by a government regulation.

### CHAPTER XII MINING DATA

#### Article 87

To support the preparation of WP and the development of mining science and technology, the Minister or the governor, in accordance with their authority, may assign state and/or regional research agencies to conduct mining surveys and research.

#### Article 88

- (1) The data obtained from mining business activities constitute the property of the Government and/or the regional government in accordance with their authority.
- (2) The mining business data owned by the regional government shall be submitted to the Government for the mining data management at a national level.
- (3) The data as referred to in section (1) are managed by the Government and/or the regional government in accordance with their authority.

#### Article 89

Further provisions regarding the procedure for the survey and research assignment as referred to in Article 87 and data management as referred to in Article 88 are regulated by a government regulation.

## CHAPTER XIII RIGHTS AND OBLIGATIONS

### Part One Rights

#### Article 90

The holder of IUP and IUPK may conduct part or all of the mining business phases, including exploration and production operation activities.

#### Article 91

The holder of IUP and IUPK may utilize public infrastructure and facilities for mining purposes after meeting the provisions of legislation.

#### Article 92

The holder of IUP and IUPK the right to own minerals including associated minerals, or coal produced if they have paid exploration fees or production royalties, except for radioactive associated minerals.

#### Article 93

- (1) The holder of IUP and IUPK may not transfer their IUP and IUPK to any other party.
- (2) Any transfer of ownership and/or shares in the Indonesian stock exchange may only be made after a certain stage of exploration activities.
- (3) The transfer of ownership and/or shares as referred to in section (2) may only be made on the following conditions:
  - a. notifying the Minister, the governor, or the regent/mayor in accordance with their respective authority; and
  - b. to the extent that it does not contradict the provisions of legislation.

#### Article 94

The holder of IUP and IUPK is guaranteed their rights to conduct mining business in accordance with the provisions of legislation.

### Part Two Obligations

#### Article 95

The holder of IUP and IUPK shall:

- a. apply good mining engineering principles;
- b. manage their finances in accordance with the Indonesian accounting system;
- c. increase the added value of mineral and /or coal resources;
- d. develop and empower the local community;
- e. comply with the tolerance limit of the environmental carrying capacity.

#### Article 96

In applying good mining engineering principles, the holder of IUP and IUPK shall:

- a. implement the mining occupational safety and health requirements;
- b. ensure mining operation safety;
- c. manage and monitor the mining environment, including reclamation and postmining activities;
- d. undertake conservation efforts for mineral and coal resources;
- e. manage the waste of mining business activities in solid, liquid or gas forms, up to the fulfillment of environmental quality standards, prior to being released to the environmental media.

#### Article 97

The holder of IUP and IUPK shall guarantee the application of environmental standards and standard quality in accordance with the characteristics of a region.

#### Article 98

The holder of IUP and IUPK shall maintain the sustainable functions and carrying capacity of the relevant water resources in accordance with the provisions of legislation.

#### Article 99

- (1) Any holder of IUP and IUPK shall submit reclamation and postmining plans when applying for IUP for Production Operation or IUPK for Production Operation.
- (2) The reclamation and postmining activities are conducted in accordance with the allocation of the postmining area.
- (3) The allocation of the postmining area as referred to in section (2) is stated in the land use agreement between the holder of IUP or IUPK and the land right holder.

#### Article 100

- (1) The holder of IUP and IUPK shall provide reclamation guarantee and postmining guarantee funds.
- (2) The Minister, the governor, or the regent/mayor, in accordance with their authority, may appoint a third party to conduct the reclamation and postmining activities with the guarantee funds as referred to in section (1).
- (3) The provision as referred to in section (2) applies if the holder of IUP and IUPK fails to conduct the reclamation and postmining activities in accordance with the approved plans.

#### Article 101

Further provisions regarding the reclamation and postmining activities as referred to in Article 99 and the guarantee funds for reclamation and postmining activities as referred to in Article 100 are regulated by a government regulation.

#### Article 102

The holder of IUP and IUPK shall increase the added value of mineral and/or coal resources in the undertaking of mining, processing and refining, and the utilization of minerals and coal.

Article 103

- (1) The holder of IUP and IUPK for Production Operation shall process and refine mine products domestically;
- (2) The holder of IUP and IUPK as referred to in section (1) may process and refine the mine products from other holders of IUP and IUPK.
- (3) Further provisions regarding the value adding as referred to in Article 102 and the processing and refining as referred to in section (2) are regulated by a government regulation.

Article 104

- (1) In respect of the processing and refining activities, the holder of IUP and IUPK for Production Operation as referred to in Article 103 may cooperate with business entities, cooperatives, or individuals that have obtained IUP or IUPK.
- (2) IUP obtained by the business entities as referred to in section (1) is IUP for Specific Production Operation for the processing and refining activities issued by the Minister, the governor, the regent/mayor in accordance with their authority.
- (3) The holder of IUP and IUPK as referred to in section (1) are prohibited from processing and refining mine products that do not have IUP, IPR or IUPK.

Article 105

- (1) Business entities not engaged in the mining business intending to sell minerals and/or coal mined along shall first obtain IUP for Production Operation for sale.
- (2) IUP as referred to in section (1) is only granted for 1 (one) time of sale by the Minister, the governor, or the regent/mayor in accordance with their authority.
- (3) The minerals or coal mined along and to be sold as referred to in section (1) are subject to production royalties.
- (4) The business entities as referred to in section (1) and section (2) shall submit a report on the sale proceeds of the minerals and/or coal mined along to the Minister, the governor, or the regent/mayor in accordance with their authority.

Article 106

The holder of IUP and IUPK must prioritize the use of local workers and domestic goods and services in accordance with the provisions of legislation.

Article 107

In conducting Production Operation activities, IUP and IUPK holding business entities shall involve local entrepreneurs existing in the region in accordance with the provisions of legislation.

Article 108

- (1) The holder of IUP and IUPK shall prepare community development and empowerment programs.

(2) The preparation of the programs and plans as referred to in section (1) is consulted with the Government, the regional government and the community.

#### Article 109

Further provisions regarding the implementation of the community development and empowerment programs as referred to in Article 108 are regulated by a government regulation.

#### Article 110

The holder of IUP and IUPK shall submit all data obtained from the exploration and production operation activities to the Minister, the governor, or the regent/mayor in accordance with their authority.

#### Article 111

(1) The holder of IUP and IUPK shall provide periodic written reports about the work plan and the implementation of mineral and coal mining business activities to the Minister, the governor, or the regent/mayor in accordance with their authority.

(2) Further provisions regarding the format, type, time and procedure for the submission of the reports as referred to in section (1) are regulated by a government regulation.

#### Article 112

(1) After 5 (five) years of production, IUP and IUPK holding business entities whose shares are owned by foreign investors shall divest their shares to the Government, the regional government, state-owned enterprises, regional-owned enterprises, or national private business enterprises.

(2) Further provisions regarding the divestiture of shares as referred to in section (1) are regulated by a government regulation.

### CHAPTER XIV

#### SUSPENSION OF MINING BUSINESS LICENSE ACTIVITIES AND SPECIAL MINING BUSINESS LICENSE ACTIVITIES

#### Article 113

(1) Suspension of mining business activities may be imposed on the holder of IUP and IUPK in the event that any of the following events occurs:

- force majeure;
- preventing circumstances that result in the termination of mining business activities in part or in full;
- the environmental carrying capacity of the area cannot bear the burden of the mineral and/or coal production operation activities conducted in its area.

(2) The suspension of mining business activities as referred to in section (1) does not reduce the validity period of IUP and IUPK.

- (3) An application for the suspension of mining business activities as referred to in section (1) point (a) and point (b) is submitted to the Minister, the governor, or the regent/mayor in accordance with their authority.
- (4) The suspension as referred to in section (1) point (c) may be imposed by a mining inspector or made on the basis of the public request to the Minister, the governor, or the regent/mayor in accordance with their authority.
- (5) The Minister, the governor, or the regent/mayor, in accordance with their authority shall issue a written decision of the approval or rejection of the application as referred to in section (3), along with the reasons thereof, at the latest 30 (thirty) days upon receipt of the application.

#### Article 114

- (1) A period of suspension due to force majeure and/or preventing circumstances as referred to in Article 113 section (1) is granted for a maximum period of 1 (one) year and may be extended at most 1 (one) time for 1 (one) year.
- (2) If within a period prior to the expiration of the suspension, the holder of IUP and IUPK are prepared to conduct their operation activities, such activities shall be reported to the Minister, the governor, the regent/mayor in accordance with their authority.
- (3) The Minister, the governor, or the regent/mayor in accordance with their authority revokes any suspension decision after receiving the report as referred to in section (2).

#### Article 115

- (1) If the suspension of mining business activities is imposed due to force majeure as referred to in Article 113 section (1) point (a), any obligation of the holder of IUP and IUPK to the Government and the regional government is not applicable.
- (2) If the suspension of mining business activities is imposed due to preventing circumstances as referred to in Article 113 section (1) point (b), any obligation of the holder of IUP and IUPK to the Government and the regional government remains to be applicable.
- (3) If the suspension of mining business activities is imposed due to the condition of the environmental carrying capacity of the area as referred to in Article 113 section (1) point (c), any obligation of the holder of IUP and IUPK to the Government and the regional government remains to be applicable.

#### Article 116

Further provisions regarding the suspension of mining business activities as referred to in Article 113, Article 114, and Article 115 are regulated by a government regulation.

### CHAPTER XV

### TERMINATION OF MINING BUSINESS LICENSE AND SPECIAL MINING BUSINESS LICENSE

### Article 117

IUP and IUPK terminate if they:

- a. are returned;
- b. are revoked; or
- c. have expired.

### Article 118

- (1) The holder of IUP or IUPK may return its IUP or IUPK with a written statement along accompanied with clear reasons to the Minister, the governor, or the regent/mayor in accordance with their authority.
- (2) The return of the IUP or IUPK as referred to in section (1) is declared valid after being approved by the Minister, the governor, or the regent/mayor in accordance with their authority and after their obligations have been met.

### Article 119

IUP or IUPK may be revoked by the Minister, the governor or the regent/mayor in accordance with their authority, if:

- a. The holder of IUP or IUPK fails to meet its obligations as stipulated in IUP or IUPK and legislation;
- b. The holder of IUP or IUPK commits the criminal acts as referred to in this Law; or
- c. The holder of IUP or IUPK is declared insolvent.

### Article 120

In the event that the period as stated in IUP and IUPK has expired and no application is submitted for an upgrade or extension of the activity stage, or the application submitted does not meet the requirements, such IUP and IUPK terminate.

### Article 121

- (1) The holder of IUP or IUPK whose IUP or IUPK terminates due to the reasons as referred to in Article 117, Article 118, Article 119, and Article 120 shall meet and complete its obligations in accordance with the provisions of legislation.
- (2) The obligations of the holder of IUP or IUPK as referred to in section (1) are deemed as fulfilled after obtaining the approval of the Minister, the governor, or the regent/mayor in accordance with their authority.

### Article 122

- (1) IUP or IUPK that has been returned, revoked or has expired as referred to in Article 121 is returned to the Minister, the governor, or the regent/mayor in accordance with their authority.
- (2) WIUP or WIUPK whose IUP or IUPK terminates as referred to in section (1) is offered to business entities, cooperatives, or individuals under the mechanism according to the provisions of this Law.

### Article 123

If IUP or IUPK terminates, the holder of IUP or IUPK shall submit all the data obtained from the Exploration and Production Operation to the Minister, the governor, or the regent/mayor in accordance with their authority.

## CHAPTER XVI MINING SERVICE BUSINESSES

### Article 124

- (1) The holder of IUP or IUPK shall use local and/or national mining service companies.
- (2) In the event that no mining service company as referred to in section (1) is available, the holder of IUP or IUPK may use other mining service companies that have an Indonesian legal entity.
- (3) Lines of mining service businesses include:
  - a. consultation, planning, implementation, and testing of equipment in:
    - 1) general survey;
    - 2) exploration;
    - 3) feasibility study;
    - 4) mining construction;
    - 5) transportation;
    - 6) mining environment;
    - 7) postmining and reclamation; and/or
    - 8) occupational safety and health.
  - b. consultation, planning, and testing of equipment in the field of:
    - 1) mine activities; or
    - 2) processing and refining.

### Article 125

- (1) In the event that the holder of IUP or IUPK uses mining services, the responsibility for the mining business activities rests with the holder of IUP or IUPK.
- (2) The mining service business operator may take the forms of a business entity, a cooperative, or an individual in accordance with the classification and qualification as established by the Minister.
- (3) The mining service business operator shall prioritize local contractors and workers.

### Article 126

- (1) The holder of IUP or IUPK is prohibited from involving its subsidiaries and/or affiliates operating in the field of mining service business within the mining business area it exploits for business, except with the approval from the Minister.
- (2) The approval from the Minister as referred to in section (1) is granted if:
  - a. no mining service company of similar type is available in the area; or
  - b. no mining service company is interested/capable.

### Article 127

Further provisions on the operation of mining service business as referred to in Article 124, Article 125, and Article 126 are regulated by the ministerial regulation.

## CHAPTER XVII STATE AND REGIONAL INCOME

Article 128

- (1) The holder of IUP or IUPK shall pay state income and regional income.
- (2) The state income as referred to in section (1) includes tax revenue and non-tax state revenue.
- (3) The tax revenue as referred to in section (2) includes:
  - a. taxes within the Government's authority in accordance with the provisions of legislation in the field of taxation;
  - b. import duties and excises.
- (4) The nontax state revenue as referred to in section (2) includes:
  - a. deadrents;
  - b. exploration fees;
  - c. production royalties; and
  - d. compensation for information data.
- (5) The regional income as referred to in section (1) includes:
  - a. local taxes;
  - b. local levies; and
  - c. other legitimate income in accordance with the provisions of legislation.

Article 129

- (1) The holder of IUPK for Production Operation for metallic mineral and coal mining shall pay 4% (four percent) of its net profit to the Government and 6% (six percent) of its net profit to the regional government as of the start of its production.
- (2) The share of the regional government as referred to in section (1) is as follows:
  - a. the provincial government receives a 1% (one percent) share;
  - b. the regency/municipality government receives a 2.5% (two point five percent) share; and
  - c. other regency/municipality governments within the same province receive a 2.5% (two point five percent) share.

Article 130

- (1) The holder of IUP or IUPK is not subject to the production royalties as referred to in Article 128 section (4) point (c) or the local taxes and local levies as referred to in Article 128 section (5) on the soil/rock mined inadvertently during mine activities.
- (2) The holder of an IUP or IUPK is subject to a production royalties as referred to in Article 128 section (4) point c for the utilization of soil/rock mined inadvertently during mine activities.

Article 131

The amounts of the taxes and non-tax state revenues collected from the IUP, IPR or IUPK holders are determined in accordance with the provisions of legislation.

Article 132

- (1) The rates of the production royalties are set based on the level of the enterprise, production, and prices of the mining commodity.
- (2) The rates of the production royalties as referred to in section (1) are set in accordance with provisions of legislation.

Article 133

- (1) The non-tax state revenue as referred to in Article 128 section (4) constitutes the state income and local income, the sharing of which is set in accordance with the provisions of legislation.
- (2) The non-tax state revenue that constitutes the share of the region is directly paid to the treasury of the region every 3 (three) months after payment has been made to the state treasury.

CHAPTER XVIII  
LAND USE FOR MINING BUSINESS ACTIVITIES

Article 134

- (1) The rights over WIUP, WPR, or WIUPK do not include those over surface land.
- (2) Mining business activities may not be conducted on areas where mining business activities are prohibited in accordance with the provisions of legislation.
- (3) Mining business activities as referred to in section (2) may be conducted after approval of the Government agency has been obtained in accordance with the provisions of legislation.

Article 135

The holder of IUP or IUPK for Exploration may only conduct its activities after obtaining the approval of the land right holder.

Article 136

- (1) Prior to conducting Production Operation activities, the holder of IUP or IUPK shall settle the land right with the right holder accordance with the provisions of legislation.
- (2) The settlement of the land right as referred to in section (1) may be conducted in stages based on the requirement for the land by the holder of IUP or IUPK.

Article 137

The holder of IUP or IUPK as referred to in Article 135 and Article 136 who has settled parcels of land may be granted the land right in accordance with the provisions of legislation.

Article 138

The rights over IUP, IPR, or IUPK do not constitute the ownership of the rights over a land.

CHAPTER XIX  
GUIDANCE, SUPERVISION AND COMMUNITY PROTECTION

**Part One**  
**Guidance and Supervision**

**Article 139**

- (1) The Minister provides guidance on the management of mining business conducted by the provincial government and the regency/municipality government in accordance with their authority.
- (2) The guidance as referred to in section (1) includes:
  - a. providing guidelines and standards in managing mining business;
  - b. providing direction, supervision, and consultation;
  - c. providing education and training; and
  - d. planning, research, development, monitoring, and evaluation of mineral and coal mining business operation.
- (3) The Minister may delegate its authority to the governor to provide guidance on the management of mining business as referred to in section (1) conducted by the regency/municipality government.
- (4) The Minister, the governor, or the regent/major in accordance with their authority is responsible for providing guidance on the mining business activities conducted by the IUP, IPR, or IUPK holders.

**Article 140**

- (1) The Minister supervises the mining business management conducted by the provincial government and the regency/municipality government in accordance with their authority.
- (2) The Minister may delegate its authority to the governor to supervise the management of mining business as referred to in section (1) conducted by the regent/municipality government.
- (3) The Minister, the governor, or the regent/major, in accordance with their authority, supervise the mining business activities conducted by the IUP, IPR or IUPK holder.

**Article 141**

- (1) The supervision as referred to in Article 140 includes the following areas:
  - a. mining practices;
  - b. marketing;
  - c. finance;
  - d. processing of data on minerals and coal;
  - e. conservation of mineral and coal resources;
  - f. mining occupational safety and health;
  - g. safety in mining operations;
  - h. environmental, reclamation and postmining management;
  - i. the utilization of domestic goods, services, technology, and domestic engineering and design capabilities;
  - j. the development of mining technical workforce;
  - k. the development and empowerment of the community around the mining area;

1. the mastery, development, and application of mining technology;
- m. other activities in the field of mining business activities related to public interests;
- n. the management of IUP or IUPK; and
- o. the amount, type, and quality of mining business products.

- (2) The supervision as referred to in section (1) point a, point e, point f, point g, point h, and point l is exercised by the mine inspector in accordance with the provisions of legislation.
- (3) In the event that the provincial government or the regency/municipality government does not have a mine inspector, the Minister assigns the mine inspector that has been appointed to provide guidance and supervision as referred to in section (2).

#### Article 142

- (1) The governor and the regent/mayor shall report to the Minister on the undertaking of mining business activities in their respective regions at least once in 6 (six) months.
- (2) The Government may issue warnings to the regional government if the exercise of its authority does not comply with the provisions of this Law and the provisions of other legislation.

#### Article 143

- (1) The regent/mayor provides guidance and supervision of people mining business.
- (2) Further provisions regarding the guidance and supervision of people's mining are regulated by a regency/municipality regional regulation.

#### Article 144

Further provisions regarding the standards and procedures of the guidance and supervision as referred to in Article 139, Article 140, Article 141, Article 142, and Article 143 are regulated by a government regulation.

### Part Two Community Protection

#### Article 145

- (1) The community members affected by direct negative impacts generated from mining business activities have the right to:
  - a. receive reasonable compensation as a result of faults in mining activities enterprise in accordance with the provisions of legislation.
  - b. file a claim with the court against any loss arising from conducting mining activities enterprise that is against the regulations.
- (2) Provisions on community protection as referred to in section (1) are regulated in accordance with the provisions of legislation.

CHAPTER XX  
RESEARCH AND DEVELOPMENT AS WELL AS EDUCATION  
AND TRAINING

Part One  
Research and Development

Article 146

The Government and the regional government shall encourage, conduct, and/or facilitate the implementation of mineral and coal research and development.

Part Two  
Education and Training

Article 147

The Government and the regional government shall encourage, conduct, and/or facilitate the implementation of education and training in the field of mineral and coal enterprise.

Article 148

The education and training activities may be conducted by the Government, the regional government, the private parties and the community.

CHAPTER XXI  
INVESTIGATION

Article 149

- (1) In addition to the investigating officers of Indonesian National Police, civil servant officials whose duties and responsibilities include the field of mining are granted special authority as investigators in accordance with the provisions of legislation.
- (2) Civil servant investigators as referred to in section (1) have the authority to:
  - a. examine the truth of reports or information about criminal acts committed in mining business activities;
  - b. examine any person or entity suspected of committing criminal acts in mining business activities;
  - c. call and/or present forcibly persons to be heard and examined as witnesses or suspects in criminal cases in mining business activities;
  - d. search places and/or facilities suspected of being used for criminal acts in mining business activities;
  - e. examine mining business activity facilities and infrastructure and discontinue the use of equipment suspected of being used for criminal acts;
  - f. seal and/or seize mining business activity equipment as evidence of criminal acts;
  - g. present and/or request the assistance of experts required in relation to the examination of criminal cases in mining business activities; and/or
  - h. cease the investigation into criminal cases in mining business activities.

#### Article 150

- (1) Civil servant investigators as referred to in Article 149 may arrest perpetrators of criminal acts in mining business activities.
- (2) The civil servant investigators as referred to in section (1) inform of the initiation of the investigation and submit the investigation findings to the investigating officers of the Indonesian National Police in accordance with the provisions of legislation.
- (3) The civil servant investigators as referred to in section (1) shall cease their investigation where no sufficient evidence is found and/or the occurrence of an event is not a criminal act.
- (4) The authority as referred to in section (2) and section (3) is exercised in accordance with the provisions of legislation.

### CHAPTER XXII ADMINISTRATIVE SANCTIONS

#### Article 151

- (1) The Minister, the governor, or the regent/mayor, in accordance with their authority, have the right to impose administrative sanctions on the holders of IUP, IPR, or IUPK for violating the provisions as referred to in Article 40 section (3), Article 40 section (5), Article 41, Article 43, Article 70, Article 71 section (1), Article 74 section (4), Article 74 section (6), Article 81 section (1), Article 93 section (3), Article 95, Article 96, Article 97, Article 98, Article 99, Article 100, Article 102, Article 103, Article 105 section (3), Article 105 section (4), Article 107, Article 108 section (1), Article 110, Article 111 section (1), Article 112 section (1), Article 114 section (2), Article 115 section (2), Article 125 section (3), Article 126 section (1), Article 128 section (1), Article 129 section (1), or Article 130 section (2).
- (2) The administrative sanctions as referred to in section (1) are in the forms of:
  - a. written warning;
  - b. suspension of part or all of the exploration or production operation activities; and/or
  - c. revocation of IUP, IPR, or IUPK.

#### Article 152

In the event that the regional government fails to implement the provisions as referred to in Article 151 and the results of the evaluation carried out by the Minister as referred to in Article 6 section (1) point (j), the Minister may suspend and/or revoke IUP or IPR in accordance with the provisions of legislation.

#### Article 153

In the event that the regional government objects to the suspension and/or revocation of IUP and IPR by the Minister as referred to in Article 152, the regional government may file an objection in accordance with the provisions of legislation.

#### Article 154

Any dispute arising from the implementation of IUP, IPR or IUPK is settled in domestic court and arbitration in accordance with the provisions of legislation.

#### Article 155

Any legal dispute that arises from the suspension and/or revocation of IUP, IPR or IUPK as referred to in Article 151 section (2) point (b) and point (c) is settled in accordance with the provisions of legislation.

#### Article 156

Further provisions regarding the procedure for the imposition of the administrative sanctions as referred to in Article 151 and Article 152 are regulated by a government regulation.

#### Article 157

Any regional government that does not comply with the provisions as referred to in Article 5 section (4) is subject to administrative sanctions in the form of suspension of authority over the right to manage mineral and coal mining business.

### CHAPTER XXIII CRIMINAL PROVISIONS

#### Article 158

Any person that conducts mine business activities without IUP, IPR or IUPK as referred to in Article 37, Article 40 section (3), Article 48, Article 67 section (1), Article 74 section (1) or (5) is punishable by imprisonment for a maximum period of 10 (ten) years and a fine for a maximum of Rp10,000,000,000.00 (ten billion rupiah).

#### Article 159

The holders of IUP, IPR or IUPK that purposefully submit reports as referred to in Article 43 section (1), Article 70 point e, Article 81 section (1), Article 105 section (4), Article 110, or Article 111 section (1) untruthfully or convey fake information are punishable by imprisonment for a maximum period of 10 (ten) years and a fine for a maximum of Rp10,000,000,000.00 (ten billion rupiah).

#### Article 160

- (1) Any person that conducts exploration activities without IUP or IUPK as referred to in Article 37 or Article 74 section (1) is punishable by imprisonment for a maximum period of 1 (one) year or a fine for a maximum of Rp200,000,000.00 (two hundred million rupiah).
- (2) Any person that has IUP for Exploration but conducts Production Operation activities is punishable by imprisonment for a maximum period of 5 (five) years and a fine for a maximum of Rp10,000,000,000.00 (ten billion rupiah).

#### Article 161

Any person or holder of IUP for Production Operation or IUPK for Production Operation that collects, utilizes, processes and refines, transports, sell minerals or coal that are not derived from the IUP, IUPK or license holders as referred to in Article 37, Article 40 section (3), Article 43 section (2), Article 48, Article 67 section (1), Article 74 section (1), Article 81 section (2), Article 103 section (2), Article 104 section (3), or Article 105 section (1) is punishable by imprisonment for a maximum period of 10 (ten) years and a fine for a maximum of Rp10,000,000,000.00 (ten billion rupiah).

#### Article 162

Any person that impedes or obstructs mining business activities conducted by the IUP and IUPK holders that have met the requirements as referred to in Article 136 section (2) is punishable by imprisonment for a maximum period of 1 (one) year or a fine for a maximum of Rp100,000,000.00 (one hundred million rupiah).

#### Article 163

- (1) In the event that the criminal acts as referred to in this chapter are committed by a legal entity, in addition to the imprisonment and fine imposed upon its management, a criminal punishment that may be imposed upon such legal entity is in the form of a fine with an increase in the sentence by 1/3 (one third) of the maximum fine imposed.
- (2) In addition to the fine as referred to in section (1), a legal entity is punishable by additional criminal sanctions in the forms of:
  - a. the revocation of the business license; and/or
  - b. the revocation of the legal entity status.

#### Article 164

In addition to the provisions as referred to in Article 158, Article 159, Article 160, Article 161, and Article 162, a criminal offender is punishable by additional criminal sanctions in the forms of:

- a. seizure of goods used in committing the crime;
- b. seizure of proceeds derived from the crime committed; and/or
- c. obligations to pay the costs incurred resulting from the crime.

#### Article 165

Any person who issues IUP, IPR or IUPK that contradict this Law and who abuses his/her authority is punishable by imprisonment for a maximum period of 2 (two) years and a fine for a maximum of Rp200,000,000.00 (two hundred million rupiah).

### CHAPTER XXIV

### MISCELLANEOUS PROVISIONS

### Article 166

Any matter arising from the implementation of IUP, IPR or IUPK in relation to the environmental impacts is settled in accordance with the provisions of legislation.

### Article 167

WP is managed by the Minister within a nationally-integrated mining area information system to maintain uniformity of the coordinate system and base map in issuing WUP, WIUP, WPR, WPN, WUPK and WIUPK.

### Article 168

To increase investment in the field of mining, the Government may grant tax reliefs and facilities in accordance with the provisions of legislation unless otherwise provided in IUP or IUPK.

## CHAPTER XXV TRANSITIONAL PROVISIONS

### Article 169

At the time this Law comes into force:

- a. Any contract of work and coal contract of work existing prior to the effectiveness of this Law continue to be effective until the expiration of the contract/agreement.
- b. The provisions stated in the articles of the contract of work and the coal contract of work as referred to in point (a) are adjusted not later than 1 (one) year of the promulgation of this Law with the exception of state revenues.
- c. The exception of state revenues as referred to in point (b) is an effort to increase state revenues.

### Article 170

The holder of contract of work as referred to in Article 169 that has been in production shall conduct refining as referred to in Article 103 section (1) not later than 5 (five) years of the promulgation of this Law.

### Article 171

- (1) The holder of contract of work and coal contract of work as referred to in Article 169 that has conducted the stages of exploration, feasibility study, construction, or production operation not later than 1 (one) year of the effectiveness of this Law must submit its activity plans for all contract/agreement areas until the expiration of the contract/agreement to obtain the approval of the Government.
- (2) In the event that the provisions as referred to in section (1) are not met, the mining area size that has been granted to the holder of the contract of work and coal contract of work is adjusted to conform this Law.

## CHAPTER XXVI CLOSING PROVISIONS

Article 173

- (1) At the time this Law enters into force, Law Number 11 of 1967 on Basic Provisions of Mining (State Gazette of the Republic of Indonesia Number 22 of 1967, Supplement to the State Gazette of the Republic of Indonesia Number 2831) is repealed and declared ineffective.
- (2) At the time this Law enters into force, all legislation that constitutes the implementing regulations of Law Number 11 of 1967 on Basic Provisions of Mining (State Gazette of the Republic of Indonesia Number 22 of 1967, Supplement to the State Gazette of the Republic of Indonesia Number 2831) remain effective in so far as not in contradiction with the provisions of this Law.

Article 174

The implementing regulation of this Law must be issued within 1 (one) year of the promulgation of this Law.

Article 175

This Law comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Law by its placement in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta  
on 12 January 2009

PRESIDENT OF THE REPUBLIC OF  
INDONESIA,

signed

DR.H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta  
on 12 January 2009

MINISTER OF LAW AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA,

signed

ANDI MATTALATTA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2009 NUMBER 4

Jakarta, 15 December 2025  
Has been translated as an Official Translation  
on behalf of the Minister of Law  
of the Republic of Indonesia  
DIRECTOR GENERAL OF LEGISLATION,



**ELUCIDATION OF  
LAW OF THE REPUBLIC OF INDONESIA  
NUMBER 4 OF 2009  
ON MINERAL AND COAL MINING**

**I. GENERAL**

Article 33, section (3) of the 1945 Constitution states that the land, waters, and natural resources contained therein are controlled by the state and utilized for the greatest benefit of the people. Recognizing that minerals and coal, as natural wealth contained therein, are nonrenewable resources, they need to be managed in an optimal manner that is efficient, transparent, sustainable, environmentally sound, and just, to ensure that they can be utilized for the greatest benefit of the people sustainably.

To implement Article 33, section (3) of the 1945 Constitution, Law Number 11 of 1967 on Basic Provisions on Mining was enacted. Over the past four decades, this law has made significant contributions to national development. However, as time progresses, the centralized approach of this law no longer aligns with current circumstances and future challenges. Mining development must now adapt to both national and international strategic environmental changes. The primary challenges facing mineral and coal mining include the impacts of globalization, such as democratization, regional autonomy, human rights, environmental issues, technological advancements, information developments, intellectual property rights, and greater public and private sector participation.

To address these strategic environmental challenges and various issues, new legislation for mineral and coal mining needs to be established to provide a legal foundation for reforming and reorganizing the management and operations of mining and coal mining management and business.

This Law contains the following rationale:

1. As nonrenewable resources, minerals and coal are controlled by the state, with their development and efficient management carried out by the Government and regional governments in collaboration with business actors.
2. The government will provide opportunities for Indonesian legal entities, cooperatives, individuals, or local communities to engage in mineral and coal businesses through licensing, which in line with regional autonomy will be issued by the Government and/or regional governments within their respective authority.
3. Under decentralization and regional autonomy, the management of mineral and coal mining will adhere to the principles of externality, accountability, and efficiency, involving both the Government and regional governments.
4. Mining business must contribute economic and social benefits for the prosperity of the Indonesian people.

5. Mining business must accelerate regional development, stimulate economic activities / small and medium-sized enterprises, and foster the growth of the mining support industry.
6. For sustainable development, mining business activities must respect the principles of the environment, transparency, and public participation.

## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

#### Point a

Sufficiently clear.

#### Point b

Sufficiently clear.

#### Point c

Sufficiently clear.

#### Point d

The term principle of sustainability and environmental soundness means the principle that integrates the economic, environmental, and socio-cultural dimensions throughout the mineral and coal mining business to promote both present and future welfare.

### Article 3

Sufficiently clear.

### Article 4

Sufficiently clear

### Article 5

Sufficiently clear

### Article 6

#### Section (1)

##### Point a

Sufficiently clear.

##### Point b

Sufficiently clear.

##### Point c

National standards in the field of mineral and coal mining are technical specifications or otherwise anything standardized.

##### Point d

Sufficiently clear.

##### Point e

Sufficiently clear.

##### Point f

Sufficiently clear.

##### Point g

Sufficiently clear.

##### Point h

Sufficiently clear.

##### Point i

Sufficiently clear.

##### Point j

Sufficiently clear.

##### Point k

Sufficiently clear.

##### Point l

Sufficiently clear.

##### Point m

Sufficiently clear.

Point n  
Sufficiently clear.

Point o  
Sufficiently clear.

Point p  
Sufficiently clear.

Point q  
Sufficiently clear.

Point r  
Sufficiently clear.

Point s  
The term mineral and coal resource balance sheet at a national level means the mineral and coal resource balance sheet that reflects the national quantities of mineral and coal resources, reserves, and production.

Point t  
Sufficiently clear.

Point u  
Sufficiently clear.

Section (2)  
Sufficiently clear.

Article 7  
Sufficiently clear.

Article 8  
Sufficiently clear.

Article 9  
Sufficiently clear.

Article 10  
Sufficiently clear.

Article 11  
Sufficiently clear.

Article 12  
Sufficiently clear.

Article 13  
Sufficiently clear.

Article 14  
Sufficiently clear.

Article 15  
Delegated authority refers to the authority to designate WUP for nonmetallic minerals and rocks within one regency/city or inter-regencies/cities.

Article 16  
Sufficiently clear

Article 17  
The term area size means both the maximum area size and the minimum area size.  
Boundaries are determined on an expert basis acceptable to all parties.

Article 18  
Sufficiently clear.

Article 19  
Sufficiently clear.

Article 20  
Sufficiently clear.

**Article 21**

WPR is designated based on a plan that synchronizes data and information through the WP information system.

**Article 22**

Point a

The term between the riverbanks means areas of secondary mineral enrichment accumulation (pay streak) in a river meander.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

**Article 23**

Announcement of the WPR plan is made at the urban village/ rural village office and the relevant offices/agencies; equipped with a situation map describing the location, area size and boundaries as well as a list of coordinates; and supported with a list of land right holders in the WPR.

**Article 24**

Sufficiently clear.

**Article 25**

Sufficiently clear.

**Article 26**

Sufficiently clear.

**Article 27**

Section (1)

The WPN designation for the national interests is intended to promote national economic growth, national strategic industry and energy resilience, and to enhance national competitiveness in the face of global challenges.

The term certain commodities includes, among others, copper, tin, gold, iron, nickel, bauxite, and coal.

The term conservation includes efforts to manage minerals and/or coal that are of limited availability.

Section (2)

The term part of the WPN area means to determine the percentage of the area size to be exploited for business.

Section (3)

The term time limit means that the WPN designated for conservation may be exploited for business after a specified period of time has elapsed.

Section (4)

Sufficiently clear.

**Article 28**

Sufficiently clear.

**Article 29**

Section (1)

The term coordinating means considering all regional interests related to the WUPK in accordance with the provisions of legislation.

Section (2)

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

The term area size means both the maximum area size and the minimum area size.

Boundaries are determined on an expert basis acceptable to all parties.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Section (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Section (2)

Point a

The term radioactive mineral mining means mining activities as regulated by legislation in the field of nuclear energy.

Point b

Metallic mineral mining in this provision includes their associated minerals.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 35

Sufficiently clear.

Article 36

Sufficiently clear.

Article 37

Sufficiently clear.

Article 38

Point a

Business entities in this provision include state-owned enterprises and regional-owned enterprises.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Article 39

Section (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The sincerity guarantee in this provision includes an environmental management fund with respect to exploration activities.

- Point e  
Sufficiently clear.
- Point f  
Sufficiently clear.
- Point g  
Sufficiently clear.
- Point h  
Sufficiently clear.
- Point i  
Sufficiently clear.
- Point j  
Sufficiently clear.
- Point k  
Sufficiently clear.
- Point l  
Sufficiently clear.
- Point m  
Sufficiently clear.
- Point n  
Sufficiently clear.
- Section (2)  
Sufficiently clear.
- Article 40  
Sufficiently clear.
- Article 41  
Sufficiently clear.
- Article 42
  - Section (1)  
The 8 (eight)-year period includes 1 (one) year of general survey, 3 (three) years of exploration extendable 2 (two) times 1 (one) year each time, and 1 (one) year of feasibility study, extendable to 1 (one) time 1 (one) year.
  - Section (2)  
The 3 (three)-year period includes 1 (one) year of general survey, 1 (one) year of exploration, and 1 (one) year of feasibility study.  
The term nonmetallic minerals of specific types includes, among others, limestone for the cement industry, diamonds, and precious stones.  
The 7 (seven)-year period includes 1 (one) year of general survey, 3 (three) years of the exploration, extendable 1 (one) time 1 (one) year, and 1 (one) year of feasibility study, extendable 1 (one) time 1 (one) year.
  - Section (3)  
The 3 (three)-year period includes 1 (one) year of general survey, 1 (one) year of exploration, and 1 (one) year of feasibility study.
  - Section (4)  
The 7 (seven)-year period includes 1 (one) year of general survey, 2 (two) years of exploration, extendable 2 (two) times 1 (one) year each time, and 2 (two) years of feasibility study.
- Article 43  
Sufficiently clear.
- Article 44  
Sufficiently clear.
- Article 45  
Sufficiently clear.

Article 46

Section (1)

Sufficiently clear.

Section (2)

The term data on the feasibility study results represents the synchronization of data from the Government with data of the regional governments.

Article 47

Section (1)

The 20 (twenty)-year period in this provision includes 2 (two) years of construction.

Section (2)

Sufficiently clear.

Section (3)

The term nonmetallic minerals of specific types includes, among others, limestone for the cement industry, diamonds, and precious stones.

The 20 (twenty)-year period in this provision includes 2 (two) years of construction.

Section (4)

Sufficiently clear.

Section (5)

The 20 (twenty)-year period in this provision includes 2 (two) years of construction.

Article 48

Sufficiently clear.

Article 49

Sufficiently clear.

Article 50

Sufficiently clear.

Article 51

Metallic mineral mining in this provision includes their associated minerals.

Article 52

Section (1)

Sufficiently clear.

Section (2)

If other minerals of different occurrences are found in the WIUP either vertically or horizontally, other parties may exploit those minerals for business.

Section (3)

Sufficiently clear.

Article 53

Sufficiently clear.

Article 54

Sufficiently clear.

Article 55

Section (1)

Sufficiently clear

Section (2)

If other minerals of different occurrences are found in the WIUP either vertically or horizontally, other parties may exploit those minerals for business.

Section (3)

Sufficiently clear.

Article 56

Sufficiently clear.

Article 57

Sufficiently clear.

Article 58

Section (1)

Sufficiently clear

Section (2)

If other minerals of different occurrences are found in the WIUP either vertically or horizontally, other parties may exploit those minerals for business.

Section (3)

Sufficiently clear.

Article 59

Sufficiently clear.

Article 60

Sufficiently clear.

Article 61

Section (1)

Sufficiently clear.

Section (2)

If other minerals of different occurrences are found in the WIUP either vertically or horizontally, other parties may exploit those minerals for business.

Section (3)

Sufficiently clear.

Article 62

Sufficiently clear.

Article 63

Sufficiently clear.

Article 64

Sufficiently clear.

Article 65

Sufficiently clear.

Article 66

Sufficiently clear.

Article 67

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

The application as referred to this provision must be sufficiently duty-stamped and accompanied by the recommendation of the rural village head/the urban village head/the traditional community head as to the truth of the applicant's history to be prioritized to obtain IPR.

Article 68

Sufficiently clear.

Article 69

Sufficiently clear.

Article 70

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Environmental management activities include the prevention and mitigation of pollution and the restoration of environmental functions, including the reclamation of a former mine site.

Point d

Sufficiently clear.

Point e

A report is submitted every 4 (four) months.

Article 71

Sufficiently clear.

Article 72

Sufficiently clear.

Article 73

Sufficiently clear.

Article 74

Section (1)

The term with due regard to the region's interests means empowering the regions.

Section (2)

Metallic mineral mining in this provision includes their associated minerals.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Article 75

Sufficiently clear.

Article 76

Sufficiently clear.

Article 77

Section (1)

Sufficiently clear.

Section (2)

The term data on the feasibility study results represents the synchronization data of the Government with those of the regional governments.

Article 78

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The sincerity guarantee includes an environmental management fund with respect to exploration activities.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Point g  
Sufficiently clear.  
Point h  
Sufficiently clear.  
Point i  
Sufficiently clear.  
Point j  
Sufficiently clear.  
Point k  
Sufficiently clear.  
Point l  
Sufficiently clear.  
Point m  
Sufficiently clear.  
Point n  
Sufficiently clear.  
Article 79  
Point a  
Sufficiently clear.  
Point b  
Sufficiently clear.  
Point c  
Sufficiently clear.  
Point d  
Sufficiently clear.  
Point e  
Sufficiently clear.  
Point f  
Sufficiently clear.  
Point g  
Sufficiently clear.  
Point h  
Sufficiently clear.  
Point i  
Sufficiently clear.  
Point j  
Sufficiently clear.  
Point k  
Sufficiently clear.  
Point l  
Sufficiently clear.  
Point m  
Sufficiently clear.  
Point n  
Sufficiently clear.  
Point o  
Sufficiently clear.  
Point p  
Sufficiently clear.  
Point q  
Sufficiently clear.  
Point r  
Sufficiently clear.  
Point s  
Sufficiently clear.

- Point t  
Sufficiently clear.
- Point u  
Sufficiently clear.
- Point v  
Sufficiently clear.
- Point w  
Sufficiently clear.
- Point x  
Sufficiently clear.
- Point y  
The inclusion of the divestiture of shares is only applicable if the shares are owned by foreigners in accordance with the provisions of legislation.
- Article 80  
Sufficiently clear.
- Article 81  
Sufficiently clear.
- Article 82  
Sufficiently clear.
- Article 83
  - Point a  
Sufficiently clear.
  - Point b  
Sufficiently clear.
  - Point c  
Sufficiently clear.
  - Point d  
Sufficiently clear.
  - Point e  
The 8 (eight)-year period includes 1 (one) year of general survey, 3 (three) years of exploration, extendable 2 (two) times 1 (one year) each time, and 1 (one) year of feasibility study, extendable 1 (one) time 1 (one) year.
  - Point f  
The 7 (seven)-year period includes 1 (one) year of general survey, 2 (two) years of exploration, extendable 2 (two) times 1 (one) year each time, and 2 (two) years of feasibility study.
  - Point g  
The 20 (twenty)-year period in this provision includes 2 (two) years of construction.
- Article 84  
Sufficiently clear.
- Article 85  
Sufficiently clear.
- Article 86  
Sufficiently clear.
- Article 87  
Sufficiently clear.
- Article 88  
Sufficiently clear.
- Article 89  
Sufficiently clear.
- Article 90  
Sufficiently clear.

Article 91

Sufficiently clear.

Article 92

Sufficiently clear.

Article 93

Section (1)

Sufficiently clear.

Section (2)

The term certain stage of exploration activities in this provision means that 2 (two) prospect areas have been found during exploration activities.

Section (3)

Sufficiently clear.

Article 94

Sufficiently clear.

Article 95

Sufficiently clear.

Article 96

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

The term mining waste includes, among others, tailings and coal waste.

Article 97

Sufficiently clear.

Article 98

This provision is intended to serve as a reminder that mining business on water sources may result in changes to the morphology of water sources, both in upstream and downstream areas.

Article 99

Sufficiently clear.

Article 100

Sufficiently clear.

Article 101

The provisions on the guarantee funds for reclamation and postmining activities include, among others, the amount, procedures for payment and withdrawal, and reporting on the use of the guarantee funds.

Article 102

The added value in this provision is intended to increase the end products of the mining business or the utilization of the associated minerals.

Article 103

Section (1)

The obligation of domestic processing and refining intended to, among others, increases and optimizes the added value of the products, the availability of industrial raw materials, the absorption of workers, and the increased state revenues.

Section (2)

Sufficiently clear.

Section (3)  
Sufficiently clear.

Article 104  
Sufficiently clear.

Article 105  
Section (1)  
The term first obtaining IUP for Production Operation for sale in this provision means processing a license for the transportation and sale of minerals and/or coal mined along.

Section (2)  
The license is granted subject to the completion of the inspection and evaluation of the minerals and/or coal mined along by the relevant technical agency.

Section (3)  
Sufficiently clear.

Section (4)  
Sufficiently clear.

Article 106  
The use of local workers must consider the competencies and skills of the workers available.  
This provision is intended to support and develop national capabilities to remain competitive.

Article 107  
Sufficiently clear.

Article 108  
Section (1)  
Sufficiently clear  
Section (2)  
The term community means the community domiciled around the mine site.

Article 109  
Sufficiently clear.

Article 110  
Sufficiently clear.

Article 111  
Sufficiently clear.

Article 112  
Sufficiently clear.

Article 113  
Section (1)  
Point a  
The term force majeure in this section includes, among others, wars, civil disturbances, rebellions, epidemics, earthquakes, floods, fires, and natural disasters beyond human control.  
Point b  
The term preventing circumstances in this section include, among others, blockades, strikes, and labor disputes outside of the faults of the IUP or IUPK holder and legislation issued by the Government that prevent mining business activities from progressing.  
Point c  
Sufficiently clear.

Section (2)  
Sufficiently clear.

Section (3)

The application specifies the force majeure and/or the preventing circumstances that lead to the cessation of mining business activities, either in part or in full.

Section (4)

Public requests include an explanation on the condition of the environmental supporting capacity of the area associated with the mine activity.

Section (5)

Sufficiently clear.

Article 114

Sufficiently clear.

Article 115

Sufficiently clear.

Article 116

Sufficiently clear.

Article 117

Sufficiently clear.

Article 118

Section (1)

The term clear reasons in this provision means, among others, that no technical, economic, or environmental prospect is found.

Section (2)

Sufficiently clear.

Article 119

Sufficiently clear.

Article 120

The term upgrade means moving from the exploration stage to the production operation stage.

Article 121

Sufficiently clear.

Article 122

Sufficiently clear.

Article 123

Sufficiently clear.

Article 124

Section (1)

National companies may establish branches in regions.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 125

Sufficiently clear.

Article 126

Sufficiently clear.

Article 127

Sufficiently clear.

Article 128

Sufficiently clear.

Article 129

Sufficiently clear.

Article 130

Sufficiently clear.

Article 131

Sufficiently clear.

Article 132  
Sufficiently clear.

Article 133  
Sufficiently clear.

Article 134  
Sufficiently clear.

Article 135  
Approval of the land right holder is intended to resolve issues relating to areas affected by exploration activities, such as drilling, trenching, and sampling.

Article 136  
Sufficiently clear.

Article 137  
Sufficiently clear.

Article 138  
Sufficiently clear.

Article 139  
Sufficiently clear.

Article 140  
Sufficiently clear.

Article 141  
Sufficiently clear

Article 142.  
Sufficiently clear.

Article 143  
Sufficiently clear.

Article 144  
Sufficiently clear.

Article 145  
Section (1)  
The term community means members of the community who are directly affected by the negative impacts of mining business activities.

Section (2)  
Sufficiently clear.

Article 146  
Sufficiently clear.

Article 147  
Sufficiently clear.

Article 148  
Sufficiently clear.

Article 149  
Sufficiently clear.

Article 150  
Sufficiently clear.

Article 151  
Sufficiently clear.

Article 152  
Sufficiently clear.

Article 153  
Sufficiently clear.

Article 154  
Sufficiently clear.

Article 155  
Sufficiently clear.

Article 156  
Sufficiently clear.

Article 157  
Sufficiently clear.

Article 158  
Sufficiently clear.

Article 159  
Sufficiently clear.

Article 160  
Sufficiently clear.

Article 161  
Sufficiently clear.

Article 162  
Sufficiently clear.

Article 163  
Sufficiently clear.

Article 164  
Sufficiently clear.

Article 165  
The term any person means any official who issues an IUP, IPR, or IUPK.

Article 166  
Sufficiently clear.

Article 167  
Sufficiently clear.

Article 168  
Sufficiently clear.

Article 169  
Point a  
Sufficiently clear.  
Point b  
All articles of the contract of work and coal contract of work must be adjusted to conform to the Law.  
Point c  
Sufficiently clear.

Article 170  
Sufficiently clear.

Article 171  
Sufficiently clear.

Article 172  
Sufficiently clear.

Article 173  
Sufficiently clear.

Article 174  
Sufficiently clear.

Article 175  
Sufficiently clear.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA  
NUMBER 4959