

Indonesia's Mining Sector Reform: Key Changes in the Fourth Amendment to the Law Number 4 of 2009 concerning Mineral and Coal Mining

On 19 March 2025, the Indonesia government officially enacted Law No. 2 of 2025, marking the fourth amendment to Law No. 4 of 2009 concerning Mineral and Coal Mining ("**Indonesia Mining Law**"). The urge and background in amending the Indonesia Mining Law is as a part of implementation of the Indonesian Constitution which states that Indonesia's natural resources must be utilized for the greatest prosperity of the people. This commitment is manifested by Indonesian Government through the amendment of the Indonesia Mining Law by pushing pro-downstream policy, maximizing community involvement in managing Indonesia's natural resources, and ensuring legal certainty. Through this amendment, the Indonesian Government aims to boost the national economy and achieve its target of *Indonesia Emas 2045*.

I. **LAWS AND REGULATIONS**

1. Law Number 2 of 2025 on the Fourth Amendment to Indonesia Mining Law ("**Fourth Amendment of the Indonesia Mining Law**").
2. Regulation of the Minister of Energy and Mineral Resources Number 25 of 2018 concerning Mineral and Coal Mining Businesses as lastly amended by Regulation of the Minister of Energy and Mineral Resources Number 17 of 2020 ("**MEMR Reg. 25/2018**").

II. **EXECUTIVE SUMMARY**

According to our examination of Fourth Amendment of the Indonesia Mining Law, the following summary can be drawn:

1. **Changes in Definition of Feasibility Study**

The government revokes several phrases in the definition of feasibility study where, previously, one of the information that should be contained in feasibility study is analysis of environmental impact and post-mining planning. However, in the Fourth Amendment of the Indonesia Mining Law, the feasibility study does not need to contain information on analysis of environmental impact and post-mining planning.

2. Domestic Market Obligation Requirement

Mining Business Licenses/*Izin Usaha Pertambangan* (“IUP”) holders and Special Mining Business Licenses/*Izin Usaha Pertambangan Khusus* (“IUPK”) holders who are at the production operation stage will be required to fulfill domestic needs before they can export.

3. Involvement of Regional Government

Through this amendment, the central government involves the regional government in several matters, such as in relation to determine the size and boundary of the Mining Business License Area/*Wilayah Izin Usaha Pertambangan* (“WIUP”), the Minister of Energy and Mineral Resources (“MOEMR”) can coordinate with the regional government. Furthermore, MOEMR shall involve the regional government in relation to ensuring the implementation of reclamation and the protection of post-mining impacts.

4. Ensuring the Uncertainty

Regarding the legal void that appears in the existing Indonesia Mining Law, the fourth amendment makes an effort to fulfill those through this fourth amendment.

In the case that there is no spatial and/or area determination, the area and boundaries of (i) Metal Mineral WIUP; (ii) Coal WIUP; (iii) Special Mining Business License Area/*Wilayah Izin Usaha Pertambangan Khusus* (“WIUPK”); and (iv) Coal WIUPK are determined by the government will become the basis for determining the utilization of space and area mining business activities.

Furthermore, in the case that there is a change in the space and area utilization in (i) WIUP; (ii) Community Mining Area/*Wilayah Pertambangan Rakyat* (“WPR”); (iii) WIUPK zones, WIUP, WPR and WIUPK remain valid, and mining business activities can still be conducted in those zones.

5. Manifesting Mining Industrialization

The spirit of industrialization within government vision leads the government to be entitled to make changes in the space and areas utilization in (i) WIUP and

(ii) WIUPK that have been determined before if needed in order to downstream.

Moreover, in order to downstream and industrialize, the government may grant (i) Metal Mineral WIUP and (ii) Coal WIUP by way of priority to State Owned Enterprises (“**SOEs**”) and private business entities.

In addition, there is also an incentive for business entities who carry out production operation for certain types of Non-Metal Mineral Mining, where previously the production operation period for certain types of non-metal mineral was only a maximum of 40 years, in this fourth amendment the period possibly can be given more than 40 years if the production operation for certain types of non-metal mineral is integrated with domestic industrial processing facilities.

6. Electronification and Centralization of Mining Business Licensing Issuance

The government, through this fourth amendment, emphasizes that the issuance of business licenses will use an electronic integrated business licensing system managed by the central government, including the issuance of IUPK. This electronification and centralization are in line with the prevailing Indonesian law regime.

In addition, granting (i) Metal Mineral WIUP and (ii) Coal WIUP by way of priority is also conducted through an electronically integrated Business Licensing system managed by the Central Government.

7. The Role of Small and Medium Enterprises and Religious Community Organizations in Mining Business Activities

The fourth amendment provides an opportunity for (i) small and medium enterprises (“**SMEs**”) and (ii) business entities owned by religious community organizations to participate in mining business activities. The government grants (i) Metal Mineral WIUP; or (ii) Coal WIUP to (i) SMEs and (ii) religious community organizations through tender or by way of priority. However, the government has not elaborated this provisions yet and further provisions will be regulated by or based on the Government Regulation.

Besides that, the central government may grant IUPK to (i) SMEs and (ii) religious community organizations by way of priority. Therefore, the government, through this amendment, elaborates the definition of business entities to include SMEs and business entities owned by religious community organizations.

8. Mining Profit Sharing for Higher Education Institutions

In order to fund the higher education institutions, the government may grant (i) Metal Mineral WIUP; (ii) Coal WIUP; and (iii) WIUPK to SOEs, ROEs, and private business entities by way of priority. The government came up with a scheme where SOEs, Region Owned Enterprises (“**ROEs**”), and private business entities can cooperate with higher education institutions.

Through this cooperation, SOEs, ROEs, and private business entities will provide a share of the profits from mining business activities in order to increase the independence and excellence of the higher education institutions. However, to make sure of its financial accountability, the government asks the State Audit Board (*Badan Pemeriksa Keuangan*) to conduct periodic inspections towards SOEs, ROEs, private business entities, and the higher education institutions.

9. Change of Authority in Granting IUPK

The law establishes a clear distinction between the Central Government, represented by the President, who is assisted by the Vice President and various Ministers, and the Minister who is specifically responsible for government affairs related to mineral and coal mining, which in this case is the MOEMR.

Prior to the fourth amendment, the MOEMR held the authority to grant IUPK. However, with this amendment, the role of granting IUPK has been shifted to the Central Government. This change shows that the authority for issuing IUPKs no longer resides solely with the MOEMR but now involves directly under the Central Government.

10. Additional Objectives in Conducting Investigation and Research and/or Project Development Activities

Previously, the assignment of investigation and Research and/or project development activities were only intended for Coal Development and/or Utilization. Through the amendments, the Central Government may now also assign the institutions for the purpose of increasing added value of Mineral. The amendment has also emphasized the right to assign Investigation and Research and/or project development activities to only be the rights of Central Government, as previously it only stated to be the rights of the Government. Furthermore, the provision grants the right to match bids in the tender process to SOEs, ROEs, or private business entities that have previously investigated, researched, and/or engaged in activities related to project development in the designated area. In connection with the amendment of assigning investigations and research for minerals, the right to match bids will also be possible to be granted for WIUP and WIUPK minerals.

11. Specification of Programs for the Development and Empowerment of Local Community

The fourth amendment through this provision emphasizes its focus on the development and empowerment of local communities in areas affected by mining activities, as this change refines and clarifies the programs that holders of IUP and IUPK are required to implement.

These obligations now have a more structured and clear approach, which obliged IUP and IUPK holders to implement programs that consist of: (a) social and environmental responsibility program; (b) involvement of local communities and indigenous peoples in the mining area in the mining activities; and (c) business partnership program and community-based economic empowerment community-based economic empowerment program.

12. Addition of Fields in Mining Services Business

The fourth amendment introduces the inclusion of "processing" in the mining services business, thereby expanding the scope of what mining service companies can do. This change presents new opportunities for mining service companies, as it allows them to focus specifically on the processing aspect of

mining operations, during the Production Operation (IUP OP) stage of mining companies.

13. Authority on Managing Non-Tax Revenue of Mineral and Coal Mining Business Activities

The amendments provide the MOEMR with the authority to manage part of the non-tax state revenues derived from mineral and coal mining activities, centralizing the oversight and allocation of these funds. This authority is seen as an effort to enable the MOEMR to direct the revenue toward development and supervision of Mineral and Coal Mining business activities.

14. Additional Provision to be Sanctioned

The previous law did not explicitly classify the failure to prioritize mineral and coal resources for national interests, or the improper determination of production, sales, and prices of certain metals, non-metal minerals, or coal, as a violation. However, through the amendments, such actions are now clearly defined as violations of the law. These violations will be subject to administrative sanctions, including written warnings, fines, temporary suspension of exploration or production activities, and/or revocation of IUP, IUPK, Community Mining License/*Izin Pertambangan Rakyat* (“IPR”), Rock Mining Licenses/*Surat Izin Penambangan Batuan* (“SIPB”), or IUP for the sale of mineral resources.

15. The Necessity of Environmental Audit as a Requirement for Obtaining an Extension of KK and PKP2B to IUPK

The recent amendments of the Indonesia Mining Law introduces significant changes regarding environmental audits, particularly in relation to the requirements for extending work contracts/*kontrak karya* (“KK”) and converting coal contract/*Perjanjian Karya Pengusahaan Pertambangan Batubara* (“PKP2B”) into IUPK. Under the new provisions, conducting an environmental audit is a critical requirement for mining companies seeking to extend KK and PKP2B into an IUPK.

This change aims to strengthen oversight of the environmental impacts caused by mining activities, as environmental audit ensures that companies are meeting the environmental obligations with the existing regulations. Thus, this

also emphasizes the government's commitment to creating a more responsible mining industry while minimizing environmental damage.

16. Overlapping of IUP and/or WIUP

This provision shows its efforts on providing legal certainty for the overlapping IUP and/or WIUP issued by Central and/or Regional Government prior to the enactment of the fourth amendment. It mandates that IUPs issued prior to the amendment, with overlapping areas in their WIUP will be revoked and returned to the state following an evaluation by the Central Government. This includes overlaps with other IUPs, WIUPs issued by the Central or Regional Government for the same mining commodity, or any valid existing IUPs. However, in doing so, the government must carried out the process transparently by openly submit the evaluation results, revocation, and also providing a 14-day window for the holder or the overlapping IUP and/or WIUP for clarification.

17. Rearrangement and Area Utilization for Area of IUP, IUPK, IPR, and SIPB

This change allows the Minister, based on evaluations, to rearrange and reutilize the area of IUP, IUPK, IPR, and SIPB if such holder fails to meet the requirements of the law and/ or does not carry out activities in accordance with the prevailing laws and regulations.

This provision ensures that mining operations remain compliant with legal requirements and that areas under these permits are used accordingly. Unfulfillment of such obligation authorized MOEMR to take corrective measures, including reassessing and reutilizing the area, to ensure compliance accordingly with the results of the Minister's evaluation.

18. Limitation of Guarantee to the Change in the Utilization of Space and Area for WIUP, WIUPK, or WPR that has been Granted the License

The fourth amendment emphasizes the certainty of maintaining the designated use of space and area within WIUP, WIUPK, or WPR after a license is granted, which guarantees stability and clarity for the areas covered by the permit, protecting them from alterations that could disrupt the intended use. However, the change has also provided certain limitations, making it conditional, as such certainty will only be provided as long as it is not contrary to the law.

19. Overall Enforceability

The fourth amendment emphasizes its overall applicability in the territory of the Unitary State of the Republic of Indonesia, meaning that its provisions are intended to be enforced uniformly throughout all regions of the country, ensuring consistency in the governance of mineral and coal mining activities. However, it also provides a limitation as long as it is not specifically regulated in law that regulates the idiosyncrasy and specificity of the Region.

20. Implementing Regulations of the Law

The fourth amendment obliges the implementation regulations to be enacted sooner than the previous law, obliging it to be established within 6 (six) months of the amendments coming into force, to ensure that the necessary detailed rules and guidelines for the effective enforcement and application of the law are formed in a timely manner.

III. SUMMARY TABLE OF THE FOURTH AMENDMENT OF THE INDONESIA MINING LAW

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
1.	Changes in Definition of Feasibility Study	Article 1 Number 16	Feasibility Study is the stage in Mining Business activities to obtain detailed information on all related aspects in order to determine the economic and technical feasibility of Mining Business, including an analysis of environmental impact as well as post-mining planning.	Feasibility Study is the stage in Mining Business activities to obtain detailed information on all related aspects in order to determine the economic and technical feasibility of Mining Business.	The fourth amendment excludes analysis of environmental impact and post-mining planning from feasibility study.
2.	Domestic Market Obligation Requirement	Article 5	<p>(1) For national interests, the Central Government, after consulting with the House of Representative of the Republic of Indonesia, shall determine national policy on the prioritizing of Mineral and/or Coal for domestic interests.</p> <p>(2) In order to implement national interests as referred to in paragraph (1), Central Government is authorized to determine the amount of production, Sales, and price of metal Mineral, certain types of non-metal Mineral, or Coal.</p>	<p>(1) For national interests, the Central Government, after consulting with the House of Representative of the Republic of Indonesia, shall determine national policy on the prioritizing of Mineral and/or Coal for domestic interests.</p> <p>(2) In order to implement national interests as referred to in paragraph (1), Central Government is authorized to determine the amount of production, Sales, and price of metal Mineral, certain types of</p>	<p>The fourth amendment mandates the IUP and IUPK holder who are at production operation stage to fulfill domestic needs before export. This provisions puts national interest above the business interest related to mineral and/or coal supply for domestic needs.</p> <p>In the existing regulations (MEMR Reg. No. 25/2018), the domestic market obligation provision is facultative, unless required by MOEMR.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			(3) Further provisions regarding the prioritizing of Mineral and/or Coal for national interests as referred to in paragraph (1) and determination of the number of productions, Sales, and prices of metal Mineral, certain types of non-metal Mineral, or Coal as referred to in paragraph (2) shall be regulated by or based on Government Regulation.	<p>non-metal Mineral, or Coal.</p> <p>(3) In order to implement national interest as referred to in paragraph (1), IUP holders and IUPK holders who are at the stage of Production Operation activities shall fulfill domestic needs before export and prioritize the fulfillment of the needs of state-owned enterprises that affect the lives of many people.</p> <p>(4) Further provisions regarding the prioritizing of Mineral and/or Coal for national interests as referred to in paragraph (1), paragraph (2) and paragraph (3) shall be regulated by or based on Government Regulation.</p>	Moreover, the domestic market obligation provision was mandatory back then before the government revoke the regulation in 2018.
3.	Involvement of Regional Government to Determine Size and Boundary of WIUP	Article 17	-	(1a) The Minister in determining size and boundary of WIUP can coordinate with the Regional Government.	The fourth amendment grants right to MOEMR to be able to involve the regional government in relation to determining size and boundary of WIUP.
4.	Providing Certainty	Article 17A	(1) Determination of WIUP as referred	(1) In the case that there is no	The fourth amendment fills the legal

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
	for Investors in relation to the Absence of and Changes to the Spatial/Space and Area Utilization in WIUP		<p>to in Article 17 shall be undertaken after the criteria of space and area utilization for Mining Business activities in accordance with the provisions of the laws and regulations are fulfilled.</p> <p>(2) Central Government and Regional Government shall guarantee that there will be no change to the space and area utilization as referred to in paragraph (1) in the Metal Mineral WIUP and Coal WIUP that has been determined as long as it does not conflict with the provisions of laws and regulations.</p> <p>(3) Central Government and Regional Government shall guarantee the issuance of other licensing required for the operation of Mining Business activities in the WIUP that has been determined so long that the requirements in accordance with the provisions of the laws and regulations are met.</p>	<p>spatial and/or area determination, the determination of Metal Mineral WIUP and Coal WIUP as referred to in Article 17 becomes the basis for determining the utilization of space and area for Mining Business activities.</p> <p>(2) Central Government and Regional Government shall guarantee that there will be no change to the space and area utilization as referred to in paragraph (1) in the Metal Mineral WIUP and Coal WIUP that has been determined as long as it does not conflict with the provisions of laws and regulations.</p> <p>(3) In the case that there are changes in the utilization of space and area in the Metal Mineral WIUP and Coal WIUP that have been determined, the Metal Mineral WIUP and Coal</p>	<p>void where the determination of the area and boundaries of WIUP as referred to in Article 17 will be the basis for determining space and area utilization for the zone that has not yet been designated for spatial and/or area utilization.</p> <p>Moreover, after the Constitutional Court allows changes to the space and area utilization in WIUP's zone, the government considered the decision could create uncertainty for investors. Therefore, the fourth amendment adds the provisions that will bring certainty for investor if there is a change to the space and area utilization in the Metal Mineral WIUP and Coal WIUP which is the WIUP remain valid and the holder can still conduct the mining business activities in their WIUP.</p> <p>The spirit of industrialization within government vision leads the</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>WIUP remain valid and can still be carried out Metal Mineral and Coal Mining Business activities.</p> <p>(4) In the interest of increasing the added value/industrialization of Metal Minerals and Coal, the Central Government and Regional Governments may make changes to the utilization of space and areas in the Metal Mineral WIUP and Coal WIUP that have been determined.</p> <p>(5) Central Government and Regional Government shall guarantee the issuance of other licensing required for the operation of Mining Business activities in the Metal Mineral WIUP and Coal WIUP that has been determined so long that the requirements in accordance with the provisions of the laws and regulations are met.</p>	government to be entitled to make changes to the space and areas utilization in WIUP that have been determined before if needed in order to downstream.
5.	Providing Certainty for Investors	Article 22A	The Central Government and Regional Government guarantee that there will	(1) The Central Government and Regional Government guarantee	After the Constitutional Court allows changes to the space and

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
	regarding Provisions for Changes in the Space and Area Utilization in WPR		be no change in the utilization of space and area in the Community Mining Area (WPR) that has been determined as long as it does not conflict with the provisions of laws and regulations.	that there will be no change in the utilization of space and area in the WPR that has been determined as long as it does not conflict with the provisions of laws and regulations. (2) In the case that there is a change in the utilization of space and area in the WPR that has been determined, the WPR remains valid and community mining business activities can still be carried out.	area utilization in WPR's zone, the government considered the decision could create uncertainty for investors. Therefore, the fourth amendment adds the provisions that will bring certainty for investor if there is a change to the space and area utilization in WPR which is WPR remain valid and the holder can still conduct the mining business activities in their WPR.
6.	Providing Certainty for Investors in relation to the Absence of and Changes to the Spatial/Space and Area Utilization in WIUPK	Article 31A	(1) Determination of WIUPK as referred to in Article 31 shall be implemented after the fulfilling the following criteria: a. space and area utilization for Mining Business activities in accordance with the provisions of the laws and regulations; b. availability of reserves; c. capability of national production; and/or d. fulfillment of domestic needs.	(1) Determination of WIUPK as referred to in Article 31 shall be implemented after the fulfilling the following criteria: a. space and area utilization for Mining Business activities in accordance with the provisions of the laws and regulations; b. availability of reserves; c. capability of national production; and/or	The fourth amendment fills the legal void where the determination of the area and boundaries of WIUPK as referred to in Article 31 will be the basis for determining space and area utilization for the zone that has not yet been designated for spatial and/or area utilization. Moreover, after the Constitutional Court allows changes to the space and area utilization in WIUPK's zone,

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>(2) Central Government and Regional Government shall guarantee that there will be no change to the space and area utilization in the Special Mining Business License Area (WIUPK) that has been determined as referred to in paragraph (1) as long as it does not conflict with the provisions of laws and regulations.</p> <p>(3) Central Government and Regional Government shall guarantee the issuance of other licensing required for the operation of Mining Business activities in the WIUPK that has been determined so long that the requirements in accordance with the provisions of the laws and regulations are met.</p>	<p>d. fulfillment of domestic needs.</p> <p>(2) In the case that there is no spatial and/or area determination, the determination of WIUPK as referred to in paragraph (1) shall be the basis for the determination of space and area utilization for Mining Business Activities.</p> <p>(3) Central Government and Regional Government shall guarantee that there will be no change to the space and area utilization in the WIUPK that has been determined as long as it does not conflict with the provisions of laws and regulations.</p> <p>(4) In the case that there is a change in the space and area utilization in the WIUPK that has been determined, WIUPK remains valid and mining business</p>	<p>the government considered the decision could create uncertainty for investors. Therefore, the fourth amendment adds the provisions that will bring certainty for investor if there is a change to the space and area utilization in WIUPK which is WIUPK remain valid and the holder can still conduct the mining business activities in their WIUPK.</p> <p>The spirit of industrialization within government vision leads the government to be entitled to make changes to the space and areas utilization in WIUPK that have been determined before if needed in order to downstream.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>activities can still be carried out.</p> <p>(5) In order to increase the added value/industrialization of minerals and coal, the Central Government and Regional Governments can make changes to the use of space and areas in the determined WIUPK.</p> <p>(6) Central Government and Regional Government shall guarantee the issuance of other licensing required for the operation of Mining Business activities in the WIUPK that has been determined so long that the requirements in accordance with the provisions of the laws and regulations are met.</p>	
7.	Electronification in relation to the Issuance of Mining Business License	Article 35	<p>(1) Mining Business shall be operated based on Business Licensing from the Central Government.</p> <p>(2) Business Licensing as referred to in paragraph (1) shall be implemented through the issuance of:</p> <p>a. business identification</p>	<p>(1) Mining Business shall be operated based on Business Licensing from the Central Government.</p> <p>(2) Business Licensing as referred to in paragraph (1) shall be implemented through the</p>	Electronification in relation to the issuance of business license has been implemented since 2021, including mineral and coal sector. Therefore, this fourth amendment, emphasizes the use of electronic system in the issuance of mining

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>number;</p> <p>b. standard certification; and/or</p> <p>c. licenses.</p> <p>(3) Licenses as referred to in paragraph (2) letter consist of:</p> <p>a. IUP;</p> <p>b. IUPK;</p> <p>c. IUPK for the Continuation of Contract/Agreement Operation;</p> <p>d. IPR (Community Mining Business License);</p> <p>e. SIPB (<i>Surat Izin Penambangan Batuan</i>/Rock Mining License);</p> <p>f. Assignment License (<i>Izin Penugasan</i>);</p> <p>g. Transportation and Sales License;</p> <p>h. Mining Services Business License; and</p> <p>i. Mining for Sales Business License.</p> <p>(4) Central Government may delegate the authority to issue Business Licensing as referred to in</p>	<p>issuance of:</p> <p>a. business identification number;</p> <p>b. standard certification; and/or</p> <p>c. licenses.</p> <p>(3) Licenses as referred to in paragraph (2) letter consist of:</p> <p>a. IUP;</p> <p>b. IUPK;</p> <p>c. IUPK for the Continuation of Contract/Agreement Operation;</p> <p>d. IPR (Community Mining Business License);</p> <p>e. SIPB (<i>Surat Izin Penambangan Batuan</i>/Rock Mining License);</p> <p>f. Assignment License (<i>Izin Penugasan</i>);</p> <p>g. Transportation and Sales License;</p> <p>h. Mining Services Business License; and</p> <p>i. Mining for Sales Business</p>	business licenses.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			paragraph (2) to the provincial Regional Government in accordance with the laws and regulations.	License. (4) Central Government may delegate the authority to issue Business Licensing as referred to in paragraph (2) to the provincial Regional Government in accordance with the laws and regulations. (5) The issuance of Business License as referred to in paragraph (2) and paragraph (3) follows the electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulation.	
8.	Affirming the Role of SMEs and Religious Community Organization as an entity that can run Mining Business Activities	Elucidation Article 38 letter a	Self-explanatory (<i>Cukup Jelas</i>).	- Letter a: Business entity means, among others, state-owned enterprise, region-owned enterprise, private enterprise, SMEs, or enterprise owned by religious community organization.	The fourth amendment adds the definition of Business Entity to emphasize the existence of SMEs and religious community organizations as one of the parties that can run a mining business with the business entity they owns.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<ul style="list-style-type: none"> - Letter b: Self-explanatory (<i>Cukup Jelas</i>). - Letter c: Self-explanatory (<i>Cukup Jelas</i>). 	
9.	Long Term Period Incentives for Non-Metal Mineral Mining Business Actors	Article 47	<p>Period for Production Operation activities as referred to in Article 36 paragraph (1) letter b shall be granted under the following provisions:</p> <ul style="list-style-type: none"> a. for metal Mineral Mining, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations; b. for non-metal Mineral Mining, maximum 10 (ten) years and guaranteed to obtain extension 2 (two) times for 5 (five) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations; c. for certain types of non-Metal 	<p>Period for Production Operation activities as referred to in Article 36 paragraph (1) letter b shall be granted under the following provisions:</p> <ul style="list-style-type: none"> a. for metal Mineral Mining, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations; b. for non-metal Mineral Mining, maximum 10 (ten) years and guaranteed to obtain extension 2 (two) times for 5 (five) years each after the fulfilling requirements in accordance with the 	The fourth amendment manifest the spirit of industrialization by providing long-term incentives for certain types of non-metal mineral mining if they are willing to integrate with domestic industrial processing facilities.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>Mineral, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 5 (five) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations;</p> <p>d. for rock mining, maximum 5 (five) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>e. for Coal Mining, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>f. for metal Mineral Mining integrated with processing and/or refinery facilities, maximum 30 (thirty) years and guaranteed to obtain</p>	<p>provisions of the laws and regulations;</p> <p>c. for certain types of non-Metal Mineral, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 5 (five) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations;</p> <p>d. for rock mining, maximum 5 (five) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>e. for Coal Mining, maximum 20 (twenty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>f. for metal Mineral Mining</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>g. for Coal Mining integrated with Development and/or utilization activities, maximum 30 (thirty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p>	<p>integrated with processing and/or refinery facilities, maximum 30 (thirty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>g. for Coal Mining integrated with Development and/or utilization activities, maximum 30 (thirty) years and guaranteed to obtain extension 2 (two) times for 10 (ten) years each after the fulfilling requirements in accordance with the provisions of the laws and regulations.</p> <p>h. for Non-Metal Mineral Mining of certain types integrated with domestic industrial processing facilities, maximum 20 (twenty) years and guaranteed to obtain extension for 10 (ten) years at each extension after fulfilling the</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				requirements in accordance with the provisions of laws and regulations.	
10.	The Role of SMEs and Religious Community Organizations in Metal Mineral Mining Business Activities	Article 51	<p>(1) WIUP for metal Mineral shall be granted to Business Entity, cooperatives, or individual company through tender.</p> <p>(2) Tender on WIUP for metal Mineral as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for metal mineral to be put up for tender; b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(3) Further provisions regarding tender on WIUP for metal Mineral shall be regulated by or based on Government Regulation.</p>	<p>(1) WIUP for metal Mineral shall be granted to Business Entity, cooperatives, individual company, SMEs, or business entity owned by religious community organization through tender or by granting priority (pemberian prioritas).</p> <p>(2) Tender on WIUP for metal Mineral as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for metal mineral; b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(3) Granting by way of priority as referred to in paragraph (1) shall</p>	<p>Additional types of entities that are entitled to be granted Metal Mineral WIUP <i>ie.</i> SMEs, and business entities owned by religious community organizations.</p> <p>The amendments also emphasize that there are two ways to be granted Metal Mineral WIUP mainly by way of priority and tender process, which shall be carried out by the Central Government through electronic system, and shall be further regulated under Government Regulations.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for metal mineral; b. empowering cooperatives and SMEs; c. strengthening the economic function of religious community organizations; and d. enhancing the regional economy. <p>(4) The mechanism for granting by way of priority as referred to in paragraph (1) is conducted through an electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulations.</p> <p>(5) Granting by way of priority through the electronically integrated Business Licensing system as referred to in</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>paragraph (4) is verified by:</p> <ul style="list-style-type: none"> a. the minister in charge of government affairs in the field of cooperatives for cooperatives; and b. the minister in charge of government affairs in the field of SMEs for SMEs. <p>(6) Further provisions regarding tender or grating by way of priority on WIUP for metal Mineral as referred to in paragraph (1) to paragraph (5) shall be regulated by or based on Government Regulation.</p>	
11.	Metal Mineral Mining Profit Sharing for Higher Education Institutions	Article 51A	-	<p>(1) In order to enhance the idependence and excellence of higher education institutions, the Central Government grants metal Mineral WIUP by way of priority for the interest of higher education to state owned enterprises (SOEs), region owned enterprises (ROEs), or private business entities for the</p>	The fourth amendment provides the mechanism to share metal mineral mining profits for higher education institutions through SOEs, ROEs, or private business entities by way of grating priority Metal Mineral WIUP to them. According to that mechanisms, higher educations institutions will receive fundings sourced from the profits of mining

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>benefit of higher education institutions.</p> <p>(2) Granting Metal Mineral WIUP by way of priority as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for Metal Mineral; b. the status of accredited higher education institutions; and c. increasing access and education services for the society. <p>(3) SOEs, ROEs, or private business entities that obtain Metal Mineral WIUP by way of priority for the benefit of higher education institutions as referred to in paragraph (1) shall provide a share of the profits to higher education institutions based on a cooperation agreement.</p> <p>(4) In the interest of financial</p>	<p>activities, based on the agreement.</p> <p>To make sure of its financial accountability, the government asks the State Audit Board to conduct periodic inspection towards SOEs, ROEs, private business entities, and the higher education institutions.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>accountability, the State Audit Board (<i>Badan Pemeriksa Keuangan</i>) shall periodically audit the finances of SOEs, ROEs, private enterprises, and the higher education institutions as referred to in paragraph (3).</p> <p>(5) Further provisions regarding the granting of Metal Mineral WIUP by way of priority to SOEs, ROEs, or private business entities and the provision of sharing profits to higher education institutions as referred to in paragraph (1) to paragraph (4) shall be regulated by or based on Government Regulations.</p>	
12.	Pushing Industrialization Agenda for Metal Mineral Mining	Article 51B	-	<p>(1) Metal Mineral WIUP in the event of downstreaming/industrialization can be given to SOEs and private business entities by way of priority.</p> <p>(2) Granting by way of priority as referred to in paragraph (1) shall</p>	The government, through this forth amendment, provides a mechanism to push industrialization agenda. This agenda will be manifested through SOEs and private business entities by granting Metal Mineral WIUP to SOEs and private business entities on a priority scheme.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for Metal Mineral; b. increasing domestic labor; c. the amount of investment; and/or d. increasing in added value and fulfillment of domestic and/or global supply chains. <p>(3) Further provisions regarding granting Metal Mineral WIUP by way of priority in the event of downstreaming as referred to in paragraph (1) and paragraph (2) shall be regulated by or based on Government Regulations.</p>	
13.	The Role of SMEs and Religious Community Organizations in Coal Mining Business Activities	Article 60	<p>(1) WIUP for Coal shall be granted to Business Entity, cooperatives, or individual companies through tender.</p> <p>(2) Tender on WIUP for Coal as referred to in paragraph (1) shall be carried out by taking into consideration:</p>	<p>(1) WIUP for Coal shall be granted to Business Entity, cooperatives, individual companies, SMEs, business entity owned by religious community organization through tender or by granting priority.</p> <p>(2) Tender on WIUP for Coal as</p>	<p>Additional types of entities that are entitled to be granted Coal WIUP <i>ie.</i> SMEs, and business entities owned by religious community organizations.</p> <p>The amendments also emphasize that there are two ways to be</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<ul style="list-style-type: none"> a. size of the WIUP for Coal to be put up for tender; b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(3) Further provisions regarding tender on WIUP for Coal shall be regulated by or based on Regulation of the Government</p>	<p>referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for Coal; b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(3) Granting by way of priority as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for coal; b. empowering cooperatives and SMEs; c. strengthening the economic function of religious community organizations; and d. enhancing the regional economy. <p>(4) The mechanism for granting by way of priority as referred to in paragraph (1) is conducted</p>	<p>granted Coal WIUP mainly by way of priority and tender process, which shall be carried out by the Central Government through electronic system, and shall be further regulated under Government Regulations.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>through an electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulations.</p> <p>(5) Granting by way of priority through the electronically integrated Business Licensing system as referred to in paragraph (4) is verified by:</p> <ul style="list-style-type: none"> a. the minister in charge of government affairs in the field of cooperatives for cooperatives; and b. the minister in charge of government affairs in the field of SMEs for SMEs. <p>(6) Further provisions regarding tender or grating by way of priority on WIUP for Coal as referred to in paragraph (1) to paragraph (5) shall be regulated by or based on Regulation of the Government</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
14.	Coal Mining Profit Sharing for Higher Education Institutions	Article 60A	-	<p>(1) In order to enhance the independence and excellence of higher education institutions, the Central Government grants Coal WIUP by way of priority for the interest of higher education to SOEs, ROEs, or private business entities for the benefit of higher education institutions.</p> <p>(2) Granting Coal WIUP by way of priority as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for Coal; b. the status of accredited higher education institutions; and c. increasing access and education services for the society. <p>(3) SOEs, ROEs, or private business entities that obtain Coal WIUP by way of priority for the benefit of higher education institutions as referred to in paragraph (1) shall</p>	<p>The fourth amendment provides the mechanism to share coal mining profits for higher education institutions through SOEs, ROEs, or private business entities by way of granting priority Coal WIUP to them. According to that mechanism, higher education institutions will receive fundings sourced from the profits of coal mining activities, based on the agreement.</p> <p>To make sure of its financial accountability, the government asks the State Audit Board to conduct periodic inspection towards SOEs, ROEs, private business entities, and the higher education institutions.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>provide a share of the profits to higher education institutions based on a cooperation agreement.</p> <p>(4) In the interest of financial accountability, the State Audit Board shall periodically audit the finances of SOEs, ROEs, private enterprises, and the higher education institutions as referred to in paragraph (3).</p> <p>(5) Further provisions regarding the granting of Coal WIUP by way of priority to SOEs, ROEs, or private business entities and the provision of sharing profits to higher education institutions as referred to in paragraph (1) to paragraph (4) shall be regulated by or based on Government Regulations.</p>	
15.	Pushing Industrialization Agenda for Coal Mining	Article 60B	-	(1) Coal WIUP in the event of downstreaming/industrialization can be given to SOEs and private business entities by way of	The government, through this forth amendment, provides a mechanism to push industrialization agenda. This agenda will be manifested

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>priority.</p> <p>(2) Granting by way of priority as referred to in paragraph (1) shall be carried out by taking into consideration:</p> <ul style="list-style-type: none"> a. size of the WIUP for Coal; b. increasing domestic labor; c. the ammount of investment; and/or d. increasing in added value and fulfillment of domestic and/or global supply chains. <p>(3) Further provisions regarding granting Coal WIUP by way of priority in the event of downstreaming as referred to in paragraph (1) and paragraph (2) shall be regulated by or based on Government Regulations.</p>	through SOEs and private business entities by granting Coal WIUP to SOEs and private business entities on a priority scheme.
16.	Change of authority in granting IUPK	Article 74	<p>(1) IUPK is granted by the Minister by taking into consideration regional interests.</p> <p>(2) IUPK as referred to in paragraph (1) is granted for 1 (one) type of metal or coal in 1 (one) WIUPK.</p>	<p>(1) IUPK is granted by the Central Government by taking consideration regional interests.</p> <p>(2) IUPK as referred to in paragraph (1) is granted for 1 (one) type of metal mineral or coal in 1 (one)</p>	The fourth amendment creates a shift in authority from Minister to Central Government, making central government to be responsible for the granting of IUPK.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>(3) The holder of an IUPK as referred to in paragraph (1) that discovers other minerals in the WIUPK which it manages are to be given priority to mine them.</p> <p>(4) The holder of an IUPK who intends to exploit minerals other than stated in paragraph (2) is required to submit an application for a new IUPK to the Minister.</p> <p>(5) The holder of an IUPK as referred to in paragraph (2) can state that they have no interest in exploiting other minerals that they discover.</p> <p>(6) The holder of an IUPK who is not interested in exploiting any other minerals they may discover as referred to in paragraph (4), is obligated to protect the noted minerals in order that they are not exploited by other parties.</p> <p>(7) An IUPK for other minerals as referred to in paragraph (4) and paragraph (5) can be granted to</p>	<p>WIUPK.</p> <p>(3) The IUPK holder as referred to in paragraph (1) that discovers other minerals in the WIUPK which it manages are to be given priority to mine them.</p> <p>(4) IUPK holders who intends to cultivate other minerals as referred to in paragraph (3) is required to submit for a new IUPK to the Central Government.</p> <p>(5) IUPK holder as referred to in paragraph (2) can state that they have no interest in exploiting other minerals that they have discover.</p> <p>(6) The holder of an IUPK who is not interested in exploiting any other minerals they may discover as referred to in paragraph (4), is obligated to protect the noted minerals in order that they are not exploited by other parties.</p> <p>(7) IUPK for other minerals as</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			another party by the Minister .	referred to in paragraphs (4) and paragraph (5) may be granted to other parties by the Central Government .	
17.	Additional Entities to be Granted IUPK	Article 75	<p>(1) The granting of IUPK as referred to in Article 74 paragraph (1) shall be conducted based on the considerations as referred to in Article 28.</p> <p>(2) IUPK as referred to in paragraph (1) may be granted to SOEs, ROEs, or private-owned Business Entity.</p> <p>(3) SOEs and regional-owned business entity as referred to in paragraph (2) shall be prioritized to obtain IUPK.</p> <p>(4) Private Business Entity as referred to in paragraph (2) shall obtain IUPK by way of tender.</p> <p>(5) WIUPK tender as referred to in paragraph (4) shall be undertaken by the Minister and carried out by taking into considerations:</p> <p>a. size of the WIUPK to be put up for tender;</p>	<p>(1) The granting of an IUPK as referred to in Article 74 paragraph (1) shall be conducted based on the considerations as referred to in Article 28.</p> <p>(2) IUPK as referred to in paragraph (1) may be granted to:</p> <p>a. SOEs;</p> <p>b. ROEs;</p> <p>c. cooperative (koperasi);</p> <p>d. SMEs;</p> <p>e. business entities owned by religious organizations; or</p> <p>f. private business entities.</p> <p>(3) SOEs, ROEs, cooperatives, SMEs, and business entities owned by religious community organizations as referred to in paragraph (2) letter a to letter e shall receive priority in</p>	<p>The amendment added additional types of entities to be granted IUPK <i>ie.</i> cooperatives, SMEs, and business entities owned by religious organizations.</p> <p>These additional entities are to be prioritized to be granted IUPK together with SOEs and ROEs.</p> <p>The amendments also emphasize that there are two ways to be granted WIUPK mainly by way of priority and tender process, which shall be carried out by the Central Government, and shall be further regulated under Government Regulations.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<ul style="list-style-type: none"> b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(6) Further provisions regarding the tender as referred to in paragraph</p> <p>(7) shall be regulated by or based on Regulation of the Minister.</p>	<p>obtaining IUPK.</p> <p>(4) Private Business Entities as referred to in paragraph (2) letter f shall obtain IUPK by way of tender.</p> <p>(5) The granting of WIUPK by way of priority or tender as referred to in paragraph (3) and paragraph (4) shall be undertaken by the Central Government in accordance with the provisions of laws and regulations.</p> <p>(6) WIUPK granting as referred to in paragraph (5) shall consider:</p> <ul style="list-style-type: none"> a. size of the WIUPK to be put up for tender; b. administrative/management ability; c. technical and environment management ability; and d. financial ability. <p>(7) Further provisions regarding the granting of WIUPK by way of priority and tender as referred to in paragraph (5) shall be</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				regulated by or based on Government Regulations.	
18.	Mining Profit Sharing for Higher Education Institutions	Article 75A		<p>(1) In order to increase the independence and excellence of higher education institutions, the Central Government grants WIUPK by way of priority for the interest of higher education to SOEs, ROEs, or private business entities for the interest of higher education institutions.</p> <p>(2) The granting of WIUPK by way of priority as referred to in paragraph (1) shall be carried out by considering:</p> <ul style="list-style-type: none"> a. WIUPK area; b. accredited status of higher education insitution; and c. increase in access and education services for community. <p>(3) SOEs, ROEs, or private business entities that obtain WIUPK by way of priority for the benefit of Higher Education Institution as</p>	<p>The fourth amendment shows its effort to increase the welfare of Higher Education Institutions.</p> <p>WIUPK will be prioritized for SOEs, ROEs, or private business entities committed to supporting the improvement of Higher Education Institutions independency, the quality of educational services, and the provision of better higher education facilities.</p> <p>Through this collaborations, Higher Education Institutions will receive fundings sourced from the profits of mining activities, which will be based on the agreement.</p> <p>Furthermore, to make sure of its financial accountability, this scheme also gives additional authority to the State Audit Board</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>referred to in paragraph (1) shall provide a portion of the profits to Higher Education Institution in accordance with the prior agreement.</p> <p>(4) In relation to financial accountability, the State Audit Board shall periodically conduct financial audits of SOEs, ROEs, private enterprises, and universities as referred to in paragraph (3).</p> <p>(5) Further provisions regarding the granting of WIUPK by way of priority to SOEs, ROEs, or private business entities and the provision of part of the profits to the Higher Education Institution as referred to in paragraph (1) to paragraph (4) shall be regulated by or based on Government Regulations.</p>	to conduct periodic inspection towards SOEs, ROEs, and private business entities.
19.	Involvement of Regional Government	Article 100	(1) The holder of IUP or IUPK must provide and place the Reclamation deposit fund and/or	(1) The holder of IUP and IUPK are obliged to provide and place Reclamation deposit fund	The fourth amendment emphasizes the involvement of local or regional governments in ensuring the

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>Post-Mining deposit fund.</p> <p>(2) The Minister may appoint a third party to conduct Reclamation and/or Post-Mining with the deposit fund, as referred to in paragraph (1).</p> <p>(3) Provisions, as referred to in paragraph (2) shall be applied if the holder of IUP or IUPK fails to implement Reclamation and/or Post-Mining in accordance with the agreed plan.</p>	<p>and/or Post-mining deposit fund, the amount of which is determined by the Minister.</p> <p>(2) In the context of ensuring implementation of Reclamation and protection of post-mining impacts for the community and the region, the Minister and the region, the Minister shall involve the Regional Government.</p> <p>(3) The Minister may assign third parties to carry out Reclamation and/or Post-mining with the deposit funds as referred to in paragraph (1).</p> <p>(4) Provisions, as referred to in paragraph (3) shall apply if the IUP or IUPK holder does not carry out Reclamation and/or Post-mining in accordance with the approved plan in accordance with the approved plan.</p>	<p>effective implementation of reclamation and post-mining environmental protection. This change highlights the need for regional authorities to play an active role in managing and overseeing the environmental impacts of mining activities in their respective areas.</p> <p>Furthermore, the revised provision requires the Minister to set a definitive amount for the deposit fund that IUP and IUPK holders must provide. This involvement of the Minister in determining the amount of the deposit fund also further emphasizes centralized and authoritative oversight.</p>
20.	Additional Objectives in Conducting	Article 104a	(1) For the purpose of Coal Development and/or Utilization, the Government may assign state	(1) For the purpose of increasing the added value of Mineral and/or Coal Development and/or	Previously, the assignment of Investigation and Research and/or project development activities were

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
	Investigation and Research and/or Project Development Activities		<p>research agency, regional research agency, SOEs, ROEs, or private business entities to conduct Investigation and Research and/or project development activities in the assigned areas.</p> <p>(2) SOEs, ROEs, or private business entities that have conducted Investigation and Research and/or activities for project development purposes in the assignment area shall have a right that is similar to bidding in the tender of Coal WIUP or WIUPK.</p>	<p>Utilization, the Central Government may assign state research institutions, regional research institutions, SOEs, ROEs, or private business entities to conduct Investigation and Research and/or project development activities in the assigned area.</p> <p>(2) SOEs, ROEs, or Private Business Entities that have conducted Investigation and Research and/or project development activities in the assignment area shall have a right that is , will have the right to match the bid in the tender of Mineral WIUP or WIUPK and/or Coal WIUP or WIUPK.</p>	<p>only intended for Coal Development and/or Utilization, through the amendments, the Central Government (previously Government) may now assign the state research institutions for the purpose of increasing added value of Mineral.</p> <p>Additionally, entities that have carried out these activities in the assigned area are granted the right to match bids in the tender process for WIUP or WIUPK. Previously, this right applied only to coal WIUP and WIUPK, but it now extends to include mineral WIUP and WIUPK as well, thus giving more parties the opportunity to participate in the bidding process.</p>
21.	Refining Programs for the Development and Empowerment of Local Community	Article 108	<p>(1) The holder of IUP and IUPK must formulate a community Development and Empowerment program.</p> <p>(2) The holder of IUP and IUPK must</p>	<p>(1) The holder of IUP and IUPK must formulate a community development and empowerment program which consists of:</p> <p>a. social and environmental</p>	The fourth amendment emphasizes its efforts on the development and empowerment of the local community by refining the programs that are obliged to be

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>allocate funds for the implementation of the Community Development and Empowerment program, whose minimum amount shall be determined by the Minister.</p> <p>(3) The formulation of the program and plan as referred to in paragraph (1) shall be consulted to the Minister, Regional Governments, and the community.</p>	<p>responsibility program;</p> <p>b. involvement of local communities and indigenous peoples in the Mining area in the mining activities; and</p> <p>c. business partnership program and community-based economic empowerment community-based economic empowerment program.</p> <p>(2) The holder of IUP and IUPK must allocate funds for the implementation of community development and empowerment program as referred to in paragraph (1), whose minimum amount shall be determined by the Minister.</p> <p>(3) The formulation of the program and plan as referred to in paragraph (1) shall be consulted to the Minister, the Regional Government, and local communities and/or indigenous</p>	<p>done by the IUP and IUPK holders.</p> <p>This has provided more clarity and more targeted implementation for the development and empowerment of the local community.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				peoples.	
22.	Addition of Fields in the Type of Mining Services Business	Article 124	<p>(1) The holder of IUP and IUPK must use local and/or national Mining Service companies.</p> <p>(2) In the event that there is no Mining Service company as referred to in paragraph (1), holders of IUP or IUPK may use a Mining Service company incorporated in Indonesia with foreign investment.</p> <p>(3) Types of Mining Services business are implementation in the field of:</p> <ul style="list-style-type: none"> a. General Investigation; b. Exploration; c. Feasibility Study; d. Mining Construction; e. Cargo/shipment; f. Mining environment; g. Reclamation and post-mining; h. Mining safety; and/or i. Mining. <p>(4) Further provisions regarding the use of local and/or national Mining Service companies shall be regulated by or based on</p>	<p>(1) The holder of IUP and IUPK must use local and/or national Mining Service companies.</p> <p>(2) In the event that there is no Mining Service company as referred to in paragraph (1), holders of IUP or IUPK may use a Mining Service company incorporated in Indonesia in the context of foreign investment.</p> <p>(3) Types of Mining Services business include implementation in the following field:</p> <ul style="list-style-type: none"> a. General Investigation; b. Exploration; c. Feasibility Study; d. Mining Construction; e. Cargo/shipment; f. Mining environment; g. Reclamation and post-mining h. Mining safety; i. Mining; and/or 	<p>The fourth amendment has included processing as the type of fields of mining services business.</p> <p>This change presents new opportunities for mining service companies, as it allows them to focus specifically on the processing aspect of mining operations, particularly during the Production Operation (IUP OP) stage.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			Government Regulation.	<p>j. Processing</p> <p>(4) Further provisions regarding the use of local and/or national Mining Service companies shall be regulated by or based on Government Regulation.</p>	
23.	Authority on Managing Non-tax revenue of Mineral and Coal Mining Business Activities	Article 141b		<p>In relation to implementing development and supervision, part of the non-tax state revenues obtained in the implementation of Mineral and Coal Mining business activities are managed by the Minister in accordance with the provisions of laws and regulations.</p>	The fourth amendment gives an authority to the MOEMR to manage part of the non-tax state revenues obtained from the implementation of Mineral and Coal Mining business activities.
24.	Additional Provision to be Sanctioned	Article 151	(1) The Minister has the right to impose administrative sanctions on holders of IUP, IUPK, IPR, SIPB, or IUP for Sales for violations of the provisions referred to in Article 36A, Article 41, Article 52 paragraph (4), Article 55 paragraph (4), Article 58 paragraph (4), Article 61 paragraph (4), Article 70, Article 70A, Article 71 paragraph (1), Article 74 paragraph (4), Article 74	(1) The Minister has the right to impose administrative sanctions on holders of IUP, IUPK, IPR, SIPB, or IUP for Sales for violations of the provisions referred to in Article 5 paragraph (3), Article 36A, Article 41, Article 52 paragraph (4), Article 55 paragraph (4), Article 58 paragraph (4), Article 61 paragraph (4), Article 70, Article	The fourth amendment emphasizes on the importance of prioritizing coal and/or minerals for the benefit of the country and determining the quantity of coal, metallic minerals, and some non-metallic mineral production, sales, and pricing, as violations towards this provision may be sanctioned with administrative sanction as referred.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			paragraph (6), Article 86F, Article 86G letter b, Article 91 paragraph (1), Article 93A, Article 93C, Article 95, Article 96, Article 97, Article 98, Article 99 paragraph (1), paragraph (3), and paragraph (4), Article 100 paragraph (1), Article 101 A, Article 102 paragraph (1), Article 103 paragraph (1), Article 105 paragraph (1) and paragraph (4), Article 106, Article 107, Article 108 paragraph (1) and paragraph (2), Article 110, Article 111 paragraph (1), Article 112 paragraph (1), Article 112A paragraph (1), Article 114 paragraph (2), Article 115 paragraph (2), Article 123, Article 123A paragraph (1) and paragraph (2), Article 124 paragraph (1), Article 125 paragraph (3), Article 126 paragraph (1), Article 128 paragraph (1), Article 129 paragraph (1), Article 130 paragraph (2), or Article 136 paragraph (1).	70A, Article 71 paragraph (1), Article 74 paragraph (4) and paragraph (6), Article 86F, Article 86G letter b, Article 91 paragraph (1), Article 93A, Article 93C, Article 95, Article 96, Article 97, Article 98, Article 99 paragraph (1), paragraph (3), and paragraph (4), Article 100 paragraph (1), Article 101A, Article 102 paragraph (1), Article 103 paragraph (1), Article 105 paragraph (1) and paragraph (4), Article 106, Article 107, Article 108 paragraph (1) and paragraph (2), Article 110, Article 111 paragraph (1), Article 112 paragraph (1), Article 112A paragraph (1), Article 114 paragraph (2), Article 115 paragraph (2), Article 123, Article 123A paragraph (1) and paragraph (2), Article 124 paragraph (1), Article 125 paragraph (3), Article 126	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>(2) Administrative sanctions as referred to in paragraph (1) in the form of:</p> <ul style="list-style-type: none"> a. written warning; b. fine; c. temporary suspension of part or all Exploration or Production Operation activities; and/or d. revocation of IUP, IUPK, IPR, SIPB, or IUP for Sales. 	<p>paragraph (1), Article 128 paragraph (1), Article 129 paragraph (1), Article 130 paragraph (2), or Article 136 paragraph (1).</p> <p>(2) Administrative sanctions as referred to in paragraph (1) in the form of:</p> <ul style="list-style-type: none"> a. written warning; b. fine; c. temporary suspension of part or all of the Exploration or Production Operation activities; and/or d. revocation of IUP, IUPK, IPR, SIPB, or IUP for the Sale of Mineral Resources. 	
25.	The Necessity of Environmental Audit in Obtaining the Extension of KK and PKP2B to IUPK	Article 169a	<p>(1) KK and PKP2B as referred to in Article 169 shall be guaranteed an extension to IUPK as a continuation of Contract/Agreement Operations after fulfilling the requirements with the following provisions:</p>	<p>(1) KK and PKP2B as referred to in Article 169 may be granted an extension to become IUPK as a continuation of Contract/Agreement Operations after fulfilling the requirements</p>	The fourth amendment provides the implementation of environmental audits as a requirement for the extension of KK/PPK2B which will be extended to IUPK as a continuation of Contract/Agreement Operations.

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>a. contracts/agreements that have not obtained an extension are guaranteed to get 2 (two) times extensions in the form of IUPK as a Continuation of Contract Operations/Agreement each for a maximum period of 10 (ten) years as a continuation of operations after the expiration of KK or PKP2B by considering efforts to increase state revenue.</p> <p>b. contracts/agreements that have obtained the first extension are guaranteed to be granted a second extension in the form of IUPK as a Continuation of Contract Operations/Agreement for a maximum period of 10 (ten) years as a continuation of operations after the expiration of the first extension of KK or PKP2B by considering efforts</p>	<p>with the following provisions:</p> <p>a. contracts/agreements that have not obtained an extension may get 2 (two) times extension in the form of IUPK as Continuation of Contract/Agreement Operation each for a maximum period of 10 (ten) years as a continuation of operations after the expiration of KK or PKP2B by considering efforts to increase state revenue;</p> <p>b. contracts/agreements that have obtained the first extension may be granted second extension in the form of IUPK as Continuation of Contract/Agreement Operation for maximum period of 10 (ten) years as a continuation of operations after the expiration of first extension of KK or PKP2B by</p>	<p>This emphasizes the importance of environmental aspects (impacts and compliance) in the agreed mining area as a crucial consideration for an extension of KK and PKP2B.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>to increase state revenue.</p> <p>(2) Efforts to increase state revenue as referred to in paragraph (1) letter a and letter b shall be carried out through:</p> <p>a. rearrangement of the imposition of tax revenue and non-tax state revenue; and/or</p> <p>b. the size of the IUPK area as a Continuation of Contract/Agreement Operation in accordance with the development plan of the entire agreed area approved by the Minister.</p> <p>(3) In the implementation of extension of IUPK for the Continuation of Contract/Agreement Operation, all goods that are acquired during the implementation of PKP2B that are determined as state-owned goods may remain to be utilized in Coal Mining exploitation activities in accordance with provisions of laws and regulations.</p>	<p>considering efforts to increase state revenue state.</p> <p>(1a) Extension as referred to in paragraph (1) carried out after an environmental audit.</p> <p>(2) Efforts to increase state revenue as referred to in paragraph (1) letter a and letter b shall be carried out through:</p> <p>c. rearrangement of the imposition of tax revenues and non-tax state revenues; and/or</p> <p>d. the size of the IUPK area as a Continuation of Operation Contract/Agreement in accordance with the development plan of the entire agreed area approved by the Minister.</p> <p>(3) In the implementation of extension of IUPK for the Continuation of Contract/Agreement Operation, all goods that are acquired</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			<p>(4) The holder of IUPK for the Continuation of Contract/Agreement Operation as referred to in paragraph (1) for Coal mining commodity must implement Coal Development and/or Utilization activities in the country in accordance with provisions of laws and regulations.</p> <p>(5) The holder of IUPK for the Continuation of Contract/Agreement Operation for Coal mining commodity who has implemented the obligation of Coal Development and/or Utilization in an integrated manner in the country in accordance with the development plan in the entire areas stated in the agreement approved by the Minister shall be granted an extension for 10 (ten) years for any extension after complying with</p>	<p>during the implementation of PKP2B that are determined as state-owned goods may remain to be utilized in Coal Mining exploitation activities in accordance with provisions of laws and regulations.</p> <p>(4) The holder of IUPK for the Continuation of Contract/Agreement Operation as referred to in paragraph (1) for Coal mining commodity must implement Coal Development and/or Utilization activities in the country in accordance with provisions of laws and regulations.</p> <p>(5) The holder of IUPK for the Continuation of Contract/Agreement Operation for Coal mining commodity who has implemented the obligation of</p>	

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
			requirements in accordance with provisions of laws and regulations.	Coal Development and/or Utilization in an integrated manner in the country in accordance with the development plan in the entire areas stated in the agreement approved by the Minister shall be granted an extension for 10 (ten) years for any extension after complying with requirements in accordance with provisions of laws and regulations.	
26.	Overlapping of IUP and/or WIUP	Article 171b	-	<p>(1) IUP issued prior to the enactment of this Law with overlapping part or all of its WIUP based on the results of the Central Government's evaluation, shall be revoked and returned to the state.</p> <p>(2) Overlapping part or all the WIUP as referred to in paragraph (1) includes:</p> <p>a. overlapping WIUP with other</p>	<p>This provision shows its efforts on providing legal certainty for the overlapping IUP and/or WIUP issued by Central and/or Regional Government prior to the enactment of the fourth amendment.</p> <p>The law mandates that IUP issued prior to its enactment, with overlapping areas in their WIUP, will be revoked and returned to the</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				<p>WIUP issued by the Central Government or Regional Government for the same Mining commodity;</p> <p>b. overlapping WIUP with IUP that is still valid; or</p> <p>c. overlapping IUP with other IUP issued by the Central Government or Regional Government for the same Mining commodity.</p> <p>(3) In the context of accountability and legal certainty of Mining Business, the Central Government submits the results of evaluation, revocation, and return as referred to in paragraph (1) openly and provides opportunities for clarification within a period of no later than 14 (fourteen) days from the submission of the results of evaluation, revocation, and return of IUP.</p> <p>(4) Further provisions regarding the</p>	<p>state following an evaluation by the Central Government.</p> <p>This includes overlaps with other IUPs, WIUPs issued by the Central or Regional Government for the same mining commodity, or any valid existing IUPs. The government must openly submit the evaluation results, revocation, and return processes, providing a 14-day window for clarification.</p> <p>For IUPs, IUPKs, IPRs, and SIPBs issued before the law's enactment that do not comply with its requirements or regulations, part or all their mining areas may be reorganized based on the Minister's evaluation. Further details will be regulated through Government Regulations.</p>

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				issue of overlapping part or all WIUP, the results of the Central Government's evaluation, revocation, and return of IUP as referred to in paragraph (1) to paragraph (3) shall be regulated by or based on Government Regulations.	
27.	Rearrangement and Area Utilization for Area of IUP, IUPK, IPR, and SIPB	Article 171 C	-	For IUP, IUPK, IPR, and SIPB that were issued prior to the enactment of this Law and does not fulfill the requirements of this Law and/or do not carry out activities in accordance with the provisions of laws and regulations, all or part of its territory may be rearrange and area utilization shall be in accordance with the results of the Minister's evaluation.	The fourth of amendment, based on evaluations allows MOEMR to rearrange and utilize an area of IUP, IUPK, IPR, and SIPB shall its holder does not fulfill the requirements of the law and/or do not carry out activities in accordance with the provisions of laws and regulations.
28.	Limitation of Guarantee to the Change in the Utilization of Space and Area for WIUP, WIUPK, or WPR that	Article 172b	(1) WIUP, WIUPK, or WPR whose license has been granted in the form of IUP, IUPK, or IPR must be delineated in accordance with spatial and areas utilization for Mining Business activities in	(1) WIUP, WIUPK, or WPR whose license has been granted in the form of IUP, IUPK, or IPR must be delineated in accordance with spatial and areas utilization for Mining Business activities in	The fourth amendment provides further limitations in ensuring that there will be no change in the use of space and area in WIUP, WIUPK, or WPR after the license is granted, by adding a provision stating that such

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
	has been Granted the License.		accordance with laws and regulations. (2) The Central Government and Regional Governments guarantee that there is no change in utilization of space and area, as referred to in paragraph (1) in the WIUP, WIUPK, and WPR, whose license has been granted.	accordance with laws and regulations. (2) The Central Government and Regional Government shall ensure that there is no change in the utilization of space and area as referred to in paragraph (1) in the WIUP, WIUPK, or WPR whose license has been granted as long as it is not contrary to the provisions of laws and regulations.	certainty will only be provided as long as it is not contrary to the law.
29.	Overall Enforceability	Article 173a	Provisions in this Law shall also apply to the Special Region of Yogyakarta Province, Special Region of Jakarta Province, Aceh Province, West Papua Province , insofar that it is not specifically regulated in Law that regulates the idiosyncrasy and specificity of the Regions.	Provisions in this Law shall apply to all province in the territory of the Unitary State of the Republic of Indonesia , insofar that it is not specifically regulated in Law that regulates the idiosyncrasy and specificity of the Regions.	The fourth amendment emphasizes its overall applicability in the territory of the Unitary State of the Republic of Indonesia.
30.	Implementing Regulations of the Law	Article 174	The implementing regulations of this Law must be stipulated within 1 (one) year after this Law comes into force.	(1) Regulations for the implementation of this Act must be enacted no later than 6 (six) months since this Act comes into force.	The fourth amendment obliges the implementing regulations to be enacted sooner than the previous law, which is to no be later that 6 (six) months since this act comes

NO	TOPIC	ARTICLE	PREVIOUS CLAUSES	POST-AMENDMENT CLAUSES	NOTE
				(2) The Central Government, the House of Representatives through its legislative organs, and the organs dealing with legislation, and the House of Representatives through the organ in charge of legislation, and the Regional Representative Council through the organ in charge of handling the field of law drafting shall to monitor and review the implementation of this Law 2 (two) years after this Law comes into force in accordance with the provisions of laws and regulations.	into force.

Further information

For any inquiries, please contact:



Andrew Atmadja

Senior Associate

andrew.atmadja@imcolaw.com



Faris Al Hakim

Associate

fal.hakim@imcolaw.com



Rania Nasir

Associate

rania.nasir@imcolaw.com



Office 8 Building, 35th Floor, Zone G
Sudirman Central Business District Lot. 28
Jl. Jend. Sudirman Kav. 52-53,
Jakarta 12190, Indonesia

Tel : +62 21 2933 3800
Fax : +62 21 2933 3801
Email: info@imcolaw.com

Disclaimer: The information provided in this article does not, and is not intended to, constitute legal advice. Otherwise, all information and materials available in this article are for general legal update or informational purposes only. We are not responsible for any implications arising from this article. All summaries of the laws, regulations, and practices are subject to change.