

**LAW OF THE REPUBLIC OF INDONESIA
NUMBER 2 OF 2025
ON
FOURTH AMENDMENT TO LAW NUMBER 4 OF 2009 ON MINERAL AND COAL MINING**

BY THE GRACE OF GOD ALMIGHTY

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that minerals and coal located within the territory of the Unitary State of the Republic of Indonesia are non-renewable natural resource assets as a gift from God Almighty, which are controlled by the state to increase added value for the national economy in realizing prosperity and welfare of the people in a just manner as mandated in the 1945 Constitution of the Republic of Indonesia;
- b. that downstream mineral and coal activities as one of the drivers of national economic growth require strengthening and ensuring the supply of raw materials effectively, efficiently, sustainably, and environmentally friendly by strengthening investigation and research to optimize mineral and coal exploration, and in its management accelerates the involvement of various parties that have contributed to improving the national economy;
- c. that Law Number 4 of 2009 on Mineral and Coal Mining as amended several times, most recently by Law Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law needs to be revised as an implementation of decisions of the Constitutional Court and in accordance with the legal needs of the community;
- d. that based on the considerations as referred to in letter a, letter b, and letter c, it has been deemed necessary to enact Law on the Fourth Amendment to Law Number 4 of 2009 on Mineral and Coal Mining.

Observing:

1. Article 20, Article 21, and Article 33 paragraph (2) and paragraph (3) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 4 of 2009 on Mineral and Coal Mining (State Gazette of the Republic of Indonesia of 2009 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 4959) as amended several times, most recently by Law Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856).

By the Mutual Consent of:

THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA

and

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

HAS DECIDED:

To enact:

LAW ON THE FOURTH AMENDMENT TO LAW NUMBER 4 OF 2009 ON MINERAL AND COAL MINING.

Article I

Law Number 4 of 2009 on Mineral and Coal Mining (State Gazette of the Republic of Indonesia of 2009 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 4959), which has been amended several times by Laws:

- a. Number 3 of 2020 on the Amendment to Law Number 4 of 2009 on Mineral and Coal Mining (State Gazette of the Republic of Indonesia of 2020 Number 147, Supplement to the State Gazette of the Republic of Indonesia Number 6525);
- b. Number 11 of 2020 on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573); and
- c. Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856),

has now been amended as follows:

1. Provisions of number 16 of Article 1 have been amended, therefore Article 1 reads as follows:

“Article 1

Under this Law, the following definitions are employed:

1. Mining is part or all of the stages of activities in the context of management and business of minerals or coal, which include general investigation, exploration, feasibility study, construction, mining, processing and/or refining or development and/or utilization, transportation and sales, and post-mining activities.
2. Minerals are inorganic compounds formed in nature, which have certain physical and chemical properties and regular crystal structures or combinations thereof that form rocks, either in loose or solid form.
3. Coal is a deposit of organic carbon compounds that are formed naturally from plant remains.
4. Mineral Mining is the Mining of a collection of Minerals in the form of ores or rocks, excluding geothermal, oil and gas, and groundwater.
5. Coal Mining is the Mining of carbon deposits found in the earth, including solid bitumen, peat, and asphalt rock.
6. Mining Business is an activity in the context of Mineral or Coal business, which includes the stages of general investigation, exploration, feasibility study, construction, mining, processing and/or refining or development and/or utilization, transportation and sales, and post-mining.
- 6a. Work Contract (Kontrak Karya), from this point onward is referred to as KK, is an agreement between the government and an Indonesian legal entity to carry out Mineral Mining Business activities.
- 6b. Coal Mining Business Work Agreement (Perjanjian Karya Pengusahaan Pertambangan Batubara), from this point onward is referred to as PKP2B, is an agreement between the government and an

- Indonesian legal entity to carry out Coal Mining Business activities.
- 6c. Business Licensing is the legality granted to business actors to start and run their businesses and/or activities.
 7. Mining Business Permit (Izin Usaha Pertambangan), from this point onward is referred to as IUP, is a permit to carry out Mining Business.
 8. Removed.
 9. Removed.
 10. People's Mining Permit (Izin Pertambangan Rakyat), from this point onward is referred to as IPR, is a permit to carry out Mining Business in people's mining areas with limited area and investment.
 11. Special Mining Business Permit (Izin Usaha Pertambangan Khusus), from this point onward is referred to as IUPK, is a permit to carry out Mining Business in a special mining business permit area.
 12. Removed.
 13. Removed.
 - 13a. Rock Mining Permit (Surat Izin Penambangan Batuan), from this point onward is referred to as SIPB, is a permit granted to carry out Mining Business activities for certain types of rocks or for certain purposes.
 - 13b. IUPK as a Continuation of Contract/Agreement Operations is a business permit granted as an extension after the completion of the implementation of the Work Contract or Coal Mining Business Work Agreement.
 - 13c. Transportation and Sales Permit is a business permit granted to a company to purchase, transport, and sell Mineral or Coal mining commodities.
 - 13d. Mining Services Business Permit (Izin Usaha Jasa Pertambangan), from this point onward is referred to as IUJP, is a permit granted to carry out core mining service business activities related to the stages and/or parts of Mining Business activities.
 14. General Investigation is a stage of Mining activities to determine regional geological conditions and indications of mineralization.
 - 14a. Investigation and Research is an activity to determine general geological conditions, indication data, potential resources, and/or reserves of Minerals and/or Coal.
 15. Exploration is a stage of Mining Business activities to obtain detailed and precise information on the location, shape, dimension, distribution, quality, and measurable resources of excavated materials, as well as information on the social and environmental conditions.
 16. Feasibility Study is a stage of Mining Business activities to obtain detailed information on all aspects related to determining the economic and technical feasibility of Mining Business.
 17. Production Operation is a stage of Mining Business activities that includes construction, mining, processing and/or refining or development and/or utilization, including transportation and sales, as well as environmental impact control facilities in accordance with the results of the feasibility study.
 18. Construction is a Mining Business activity to carry out the construction of all Production Operation facilities, including the environment.
 19. Mining is an activity to produce Minerals and/or Coal and associated Minerals.
 20. Processing is an effort to improve the quality of Mineral mining commodities to produce products with physical and chemical properties that do not change from the nature of the original mining

- commodity to be refined or become industrial raw materials.
- 20a. 20a. Refining is an effort to improve the quality of Mineral mining commodities through physical and chemical processes and further refining improvement processes to produce products with physical and chemical properties that are different from the original mining commodity, to metal products as industrial raw materials.
 - 20b. Development and/or Utilization is an effort to improve the quality of Coal with or without changing the physical or chemical properties of the original Coal.
 - 21. Transportation is a Mining Business activity to move Minerals and/or Coal from the mining area and/or Processing and/or Refining location to the delivery point.
 - 22. Sale is a Mining Business activity to sell the results of Mineral or Coal Mining.
 - 23. Business Entity is any legal entity engaged in the Mining sector established under Indonesian law and domiciled within the territory of the Unitary State of the Republic of Indonesia.
 - 23a. State-Owned Enterprise (Badan Usaha Milik Negara), from this point onward is referred to as BUMN, is any BUMN engaged in the Mining sector in accordance with the provisions of laws and regulations.
 - 24. Mining Services are supporting services related to Mining Business activities.
 - 25. Environmental Impact Analysis (Analisis Mengenai Dampak Lingkungan), from this point onward is referred to as Amdal, is a study of the major and significant impacts of a planned business and/or activity on the environment that is required for the decision-making process regarding the implementation of the business and/or activity.
 - 26. Reclamation is an activity carried out throughout the Mining Business stages to organize, restore, and improve the quality of the environment and ecosystem so that they can function again according to their designation.
 - 27. Post-Mining Activities, from this point onward is referred to as Post-Mining, are planned, systematic, and continuing activities after some or all of the Mining Business activities to restore the natural environment function and social function according to local conditions throughout the Mining area.
 - 28. Community Empowerment is an effort to improve the ability of the community, both individually and collectively, to improve their standard of living.
 - 28a. Mining Legal Area is all land space, sea space, including space within the earth as a single territory, namely the Indonesian archipelago, submerged land, and continental shelf.
 - 29. Mining Area (Wilayah Pertambangan), from this point onward is referred to as WP, is an area that has Mineral and/or Coal potential and is not bound by government administrative boundaries that are part of the national spatial plan.
 - 30. Mining Business Area (Wilayah Usaha Pertambangan), from this point onward is referred to as WUP, is a part of the WP that has available geological data, potential, and/or information.
 - 31. Mining Business Permit Area (Wilayah Izin Usaha Pertambangan), from this point onward is referred to as WIUP, is an area given to IUP holders or SIPB holders.
 - 32. People's Mining Area (Wilayah Pertambangan Rakyat), from this point onward is referred to as WPR, is a part of the WP where people's Mining Business activities are carried out.
 - 33. State Reserve Area (Wilayah Pencadangan Negara), from this point onward is referred to as WPN, is a part of the WP that is reserved for national strategic interests.
 - 34. Special Mining Business Area (Wilayah Usaha Pertambangan Khusus), from this point onward is referred to as WUPK, is an area that has available geological data, potential, and/or information that

may be exploited for national strategic interests.

35. Special Mining Business Permit Area in WUPK (Wilayah Izin Usaha Pertambangan Khusus dalam WUPK), from this point onward is referred to as WIUPK, is an area given to IUPK holders.
- 35a. Any Person is any individual or corporation, whether incorporated or unincorporated.
36. Central Government is the President of the Republic of Indonesia who holds the power of government of the Republic of Indonesia assisted by the Vice President and Ministers as referred to in the 1945 Constitution of the Republic of Indonesia.
37. Regional Government is the head of a region as an organizing element of the regional government who leads the implementation of government affairs that fall under the authority of an autonomous region.
38. Minister is the minister who organizes government affairs in the Mineral and Coal Mining sector.”

2. Provisions of Article 5 have been amended, therefore it reads as follows:

“Article 5

- (1) For national interests, the Central Government, after consulting with the House of Representatives of the Republic of Indonesia, shall determine a national policy prioritizing Minerals and/or Coal for domestic interests.
- (2) To implement the national interest as referred to in paragraph (1), the Central Government has the authority to determine the amount of production, Sales, and prices of metal Minerals, certain types of non-metal Minerals, or Coal.
- (3) To implement the national interest as referred to in paragraph (1), holders of IUP or IUPK at the Production Operation activity stage are required to fulfill domestic needs before export and prioritize fulfilling the needs of state-owned enterprises that control the livelihoods of many people.
- (4) Further provisions on the prioritization of Minerals and/or Coal for the national interest as referred to in paragraph (1), paragraph (2), and paragraph (3) shall be regulated by or based on a Regulation of the Government.”

3. Provisions of paragraph (1) of Article 17 have been amended and between paragraph (1) and paragraph (2) is inserted 1 (one) paragraph, namely paragraph (1a), therefore Article 17 reads as follows:

“Article 17

- (1) The area and boundaries of WIUP for metal Minerals and WIUP for Coal shall be determined by the Minister.
- (1a) The Minister in making the determination as referred to in paragraph (1) may coordinate with Regional Governments.
- (2) The area and boundaries of WIUP for metal Minerals and WIUP for Coal located in the sea area shall be determined by the Minister after coordinating with the relevant agencies.
- (3) The determination of the area and boundaries of WIUP for metal Minerals and WIUP for Coal as referred to in paragraph (1) and paragraph (2) must meet the following criteria:
 - a. there is data on metal Mineral or Coal resources; and/or
 - b. there is data on metal Mineral or Coal reserves.
- (4) In addition to the criteria as referred to in paragraph (3), the Minister shall determine WIUP for metal

Minerals and WIUP for Coal based on the following considerations:

- a. reserve resilience;
 - b. national production capacity; and/or
 - c. fulfillment of domestic needs.
- (5) In the event that WIUP for metal Minerals and WIUP for Coal have been determined by the Minister, the utilization of the potential natural resources contained therein shall be prioritized for Mining Business activities.”

4. Provisions of Article 17A have been amended, therefore it reads as follows:

“Article 17A

- (1) In the event that there has been no spatial and/or regional planning, the determination of WIUP for metal Minerals and WIUP for Coal as referred to in Article 17 shall be the basis for determining the utilization of space and area for Mining Business activities.
- (2) The Central Government and Regional Governments shall guarantee that there will be no changes in the utilization of space and area in WIUP for metal Minerals and WIUP for Coal that have been determined as long as they do not conflict with the provisions of laws and regulations.
- (3) In the event that there are changes in the utilization of space and areas in WIUP for metal Minerals and WIUP for Coal that have been determined, the WIUP for metal Minerals and WIUP for Coal shall remain in effect and metal Mineral and Coal Mining Business activities may still be carried out.
- (4) In order to increase the added value/downstream of metal Minerals and Coal, the Central Government and Regional Governments may make changes to the utilization of space and area in WIUP for metal Minerals and WIUP for Coal that have been determined.
- (5) The Central Government and Regional Governments shall guarantee the issuance of other permits required for the implementation of Mining Business activities in WIUP for metal Minerals and WIUP for Coal that have been determined as long as they have met the requirements in accordance with the provisions of laws and regulations.”

5. Provisions of Article 22A have been amended, therefore it reads as follows:

“Article 22A

- (1) The Central Government and Regional Governments shall guarantee that there will be no changes in the utilization of space and area in WPR that has been determined as long as it does not conflict with the provisions of laws and regulations.
- (2) In the event of changes in the utilization of space and area in WPR that has been determined, the WPR shall remain valid, and people's Mining Business activities may still be carried out.”

6. Provisions of Article 31A have been amended, therefore it reads as follows:

“Article 31A

- (1) Determination of WIUPK as referred to in Article 31 shall be carried out after meeting the following criteria:
 - a. utilization of the space and area for Mining Business activities in accordance with the provisions of laws and regulations;

- b. reserve resilience;
 - c. national production capacity; and/or
 - d. fulfillment of domestic needs.
- (2) In the event that there has been no determination of spatial planning and/or area, the determination of WIUPK as referred to in paragraph (1) shall be the basis for determining the utilization of space and area for Mining Business activities.
- (3) The Central Government and Regional Governments shall guarantee that there will be no changes in the utilization of space and area in WIUPK that has been determined as long as it does not conflict with the provisions of laws and regulations.
- (4) In the event that there is a change in the utilization of space and area in WIUPK that has been determined, the WIUPK shall remain in effect, and Mining Business activities may still be carried out.
- (5) In order to increase the added value/downstream of Minerals and Coal, the Central Government and Regional Governments may make changes to the utilization of space and area in the WIUPK that has been determined.
- (6) The Central Government and Regional Governments shall guarantee the issuance of other permits required in the implementation of Mining Business activities in the WIUPK that has been determined as long as it has met the requirements in accordance with the provisions of laws and regulations.”

7. After paragraph (4) of Article 35, 1 (one) paragraph has been added, namely paragraph (5), therefore it reads as follows:

“Article 35

- (1) Mining Business shall be carried out based on Business Licensing from the Central Government.
- (2) Business Licensing as referred to in paragraph (1) shall be carried out through the provision of:
- a. business registration number;
 - b. standard certificate; and/or
 - c. permit.
- (3) The permit as referred to in paragraph (2) letter c shall include:
- a. IUP;
 - b. IUPK;
 - c. IUPK as a Continuation of Contract/Agreement Operations;
 - d. IPR;
 - e. SIPB;
 - f. assignment permit;
 - g. Transportation and Sales Permit;
 - h. IUJP; and
 - i. IUP for Sales.
- (4) The Central Government may delegate the authority to grant Business Licensing as referred to in paragraph (2) to the Provincial Government in accordance with the provisions of laws and

regulations.

- (5) The granting of Business Licensing as referred to in paragraph (2) and paragraph (3) shall comply with the electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulations.”

8. Elucidation of Article 38 letter a has been amended as stated in the elucidation.

9. Provisions of letter f of Article 47 have been amended and after letter g, 1 (one) letter has been added, namely letter h, therefore Article 47 reads as follows:

“Article 47

The period of Production Operation activities as referred to in Article 36 paragraph (1) letter b shall be given with the following provisions:

- a. for metal Mineral Mining, a maximum of 20 (twenty) years and an extension of 2 (two) times is guaranteed, each for 10 (ten) years after fulfilling the requirements in accordance with the provisions of laws and regulations.
- b. for non-metal Mineral Mining, a maximum of 10 (ten) years and an extension of 2 (two) times is guaranteed, each for 5 (five) years after fulfilling the requirements in accordance with the provisions of laws and regulations.
- c. for certain non-metal Mineral Mining, a maximum of 20 (twenty) years and an extension of 2 (two) times is guaranteed, each for 10 (ten) years after fulfilling the requirements in accordance with the provisions of laws and regulations.
- d. for Rock Mining, a maximum of 5 (five) years and an extension of 2 (two) times is guaranteed, each for 5 (five) years after fulfilling the requirements in accordance with the provisions of laws and regulations.
- e. for Coal Mining, a maximum of 20 (twenty) years and an extension of 2 (two) times is guaranteed, each for 10 (ten) years after fulfilling the requirements in accordance with the provisions of laws and regulations.
- f. for metal Mineral Mining integrated with Processing and/or Refining facilities, 30 (thirty) years and an extension of 10 (ten) years for each extension is guaranteed after fulfilling the requirements in accordance with the provisions of laws and regulations.
- g. for Coal Mining integrated with Development and/or Utilization activities, 30 (thirty) years and an extension of 10 (ten) years for each extension is guaranteed after fulfilling the requirements in accordance with the provisions of laws and regulations.
- h. for certain types of non-metal Mineral Mining integrated with domestic industrial Processing facilities, a maximum of 20 (twenty) years and an extension of 10 (ten) years for each extension is guaranteed after fulfilling the requirements in accordance with the provisions of laws and regulations.

10. Provisions of Article 51 have been amended, therefore it reads as follows:

“Article 51

- (1) WIUP for metal Minerals shall be granted to Business Entities, cooperatives, sole proprietorships, small- and medium-scale enterprises, or business entities owned by religious organizations through

auction or through priority.

- (2) The auction of WIUP for metal Minerals as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for metal Minerals;
 - b. administrative/management capability;
 - c. technical and environmental management capability; and
 - d. financial capability.
- (3) Granting through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for metal Minerals;
 - b. empowerment of cooperatives and small- and medium-scale enterprises;
 - c. strengthening of the economic function of religious organizations; and
 - d. improvement in the regional economy.
- (4) The mechanism for granting through priority as referred to in paragraph (1) shall be carried out through an electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulations.
- (5) The granting through priority through the electronically integrated Business Licensing system as referred to in paragraph (4) shall be verified by:
 - a. the minister who organizes government affairs in the cooperative sector for cooperatives; and
 - b. the minister who organizes government affairs in the small- and medium-scale business sector for small- and medium-scale business entities.
- (6) Further provisions on the granting of WIUP for metal Minerals through auction or through priority as referred to in paragraph (1) up to paragraph (5) shall be regulated by or based on a Regulation of the Government.”

11. Between Article 51 and Article 52 are inserted 2 (two) articles, namely Article 51A and Article 51B, which read as follows:

“Article 51A

- (1) In order to increase the independence and excellence of higher education institutions, the Central Government shall grant WIUP for metal Minerals through priority for the benefit of higher education institutions to BUMN, regionally-owned enterprises, or private Business Entities.
- (2) The granting of WIUP for metal Minerals through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for metal Minerals;
 - b. accredited status of the higher education institution; and
 - c. increase in education access and services for the public.
- (3) BUMN, regionally-owned enterprises, or private Business Entities that secure WIUP for metal Minerals through priority for the benefit of higher education institutions as referred to in paragraph (1) shall provide part of the profits to higher education institutions in accordance with the cooperation agreement.

- (4) In the context of financial accountability, the Audit Board of Indonesia shall periodically conduct financial audits of BUMN, regionally-owned enterprises, private Business Entities, and higher education institutions as referred to in paragraph (3).
- (5) Further provisions on the granting of WIUP for metal Minerals through priority to BUMN, regionally-owned enterprises, or private Business Entities and the provision of a portion of the profits to higher education institutions as referred to in paragraph (1) up to paragraph (4) shall be regulated by or based on a Regulation of the Government.

Article 51B

- (1) WIUP for metal Minerals in the context of downstream may be granted to BUMN and private Business Entities through priority.
- (2) The granting through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for metal Minerals;
 - b. increase in the domestic workforce;
 - c. amount of investment; and/or
 - d. increase in added value and fulfillment of the domestic and/or global supply chain.
- (3) Further provisions on the granting of WIUP for metal Minerals through priority in the context of downstream as referred to in paragraph (1) and paragraph (2) shall be regulated by or based on a Regulation of the Government.

12. Provisions of Article 60 have been amended, therefore it reads as follows:

“Article 60

- (1) WIUP for Coal shall be given to Business Entities, cooperatives, sole proprietorships, small- and medium-scale business entities, or business entities owned by religious organizations through auction or through priority.
- (2) The auction of WIUP for Coal as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for Coal;
 - b. administrative/management capability;
 - c. technical and environmental management capability; and
 - d. financial capability.
- (3) The granting through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for Coal;
 - b. empowerment of cooperatives and small- and medium-scale business entities;
 - c. strengthening of the economic function of religious organizations; and
 - d. improvement in the regional economy.
- (4) The mechanism for the granting through priority as referred to in paragraph (1) shall be carried out through an electronically integrated Business Licensing system managed by the Central Government in accordance with the provisions of laws and regulations.
- (5) The granting through priority through an electronically integrated Business Licensing system as

referred to in paragraph (4) shall be verified by:

- a. the minister who organizes government affairs in the cooperative sector for cooperatives; and
 - b. the minister who organizes government affairs in the small- and medium-scale business sector for small- and medium-scale business entities.
- (6) Further provisions on the granting of WIUP for Coal through auction or through priority as referred to in paragraph (1) up to paragraph (5) shall be regulated by or based on a Regulation of the Government.

13. Between Article 60 and Article 61 are inserted 2 (two) articles, namely Article 60A and Article 60B, which read as follows:

“Article 60A

- (1) In order to increase the independence and excellence of higher education institutions, the Central Government shall grant WIUP for Coal through priority for the benefit of higher education institutions to BUMN, regionally-owned enterprises, or private Business Entities.
- (2) The granting of WIUP for Coal through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for Coal;
 - b. accredited status of the higher education institution; and
 - c. increase in education access and services for the public.
- (3) BUMN, regionally-owned enterprises, or private Business Entities that obtain WIUP for Coal through priority for the benefit of higher education institutions as referred to in paragraph (1) shall grant part of the profits to the higher education institutions in accordance with the cooperation agreement.
- (4) In the context of financial accountability, the Audit Board of Indonesia shall periodically conduct financial audits of BUMN, regionally-owned enterprises, private Business Entities, and higher education institutions as referred to in paragraph (3).
- (5) Further provisions on the granting of WIUP for Coal through priority to BUMN, regionally-owned enterprises, or private Business Entities and the granting of a portion of profits to higher education institutions as referred to in paragraph (1) up to paragraph (4) shall be regulated by or based on a Regulation of the Government.

Article 60B

- (1) WIUP for Coal for downstream purposes may be granted to BUMN and private Business Entities through priority.
- (2) The granting through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUP for Coal;
 - b. increase in the domestic workforce;
 - c. amount of investment; and/or
 - d. increase in added value and fulfillment of the domestic and/or global supply chain.
- (3) Further provisions on the granting of WIUP for Coal through priority for downstream purposes as referred to in paragraph (1) and paragraph (2) shall be regulated by or based on a Regulation of the

Government.”

14. Provisions of Article 74 have been amended, therefore it reads as follows:

“Article 74

- (1) IUPK shall be granted by the Central Government by taking regional interests into account.
- (2) IUPK as referred to in paragraph (1) shall be granted for 1 (one) type of metal Mineral or Coal in 1 (one) WIUPK.
- (3) IUPK holders as referred to in paragraph (1) who discover other Minerals in the WIUPK they manage shall be given priority to exploit them.
- (4) IUPK holders who intend to exploit other Minerals as referred to in paragraph (3) are required to submit a new IUPK application to the Central Government.
- (5) IUPK holders as referred to in paragraph (2) may state that they are not interested in exploiting other Minerals discovered.
- (6) IUPK holders who are not interested in exploiting other Minerals discovered as referred to in paragraph (5) are required to safeguard the other Minerals so that they are not exploited by other parties.
- (7) IUPK for other Minerals as referred to in paragraph (4) and paragraph (5) may be granted to other parties by the Central Government.”

15. Provisions of Article 75 have been amended, therefore it reads as follows:

“Article 75

- (1) The granting of IUPK as referred to in Article 74 paragraph (1) shall be carried out based on the considerations as referred to in Article 28.
- (2) IUPK as referred to in paragraph (1) may be granted to:
 - a. BUMN;
 - b. regionally-owned enterprises;
 - c. cooperatives;
 - d. small- and medium-scale business entities;
 - e. business entities owned by religious organizations; or
 - f. private Business Entities.
- (3) BUMN, regionally-owned enterprises, cooperatives, small- and medium-scale business entities, and business entities owned by religious organizations as referred to in paragraph (2) letter a up to letter e shall receive priority in obtaining IUPK.
- (4) Private Business Entities as referred to in paragraph (2) letter f to obtain IUPK shall be carried out through a WIUPK auction.
- (5) The granting of WIUPK through priority or through auction as referred to in paragraph (3) and paragraph (4) shall be carried out by the Central Government in accordance with the provisions of laws and regulations.
- (6) The granting of WIUPK as referred to in paragraph (5) shall consider:

- a. area of WIUPK;
 - b. administrative/management capability;
 - c. technical and environmental management capability; and
 - d. financial capability.
- (7) Further provisions on the granting of WIUPK through priority and auction as referred to in paragraph (5) shall be regulated by or based on a Regulation of the Government.”

16. Between Article 75 and Article 76 is inserted 1 (one) article, namely Article 75A, which reads as follows:

“Article 75A

- (1) In order to increase the independence and excellence of higher education institutions, the Central Government shall grant WIUPK through priority for the benefit of higher education institutions to BUMN, regionally-owned enterprises, or private Business Entities.
- (2) The granting of WIUPK through priority as referred to in paragraph (1) shall be carried out by considering:
 - a. area of WIUPK;
 - b. accredited status of the higher education institution; and
 - c. increase in education access and services for the public.
- (3) BUMN, regionally-owned enterprises, or private Business Entities that obtain WIUPK through priority for the benefit of higher education institutions as referred to in paragraph (1) shall provide part of the profits to higher education institutions in accordance with the cooperation agreement.
- (4) In the context of financial accountability, the Audit Board of Indonesia shall periodically conduct financial audits of BUMN, regionally-owned enterprises, private Business Entities, and higher education institutions as referred to in paragraph (3).
- (5) Further provisions on the granting of WIUPK through priority to BUMN, regionally-owned enterprises, or private Business Entities and the granting of a portion of the profits to higher education institutions as referred to in paragraph (1) up to paragraph (4) shall be regulated by or based on a Regulation of the Government.”

17. Provisions of Article 100 have been amended, therefore it reads as follows:

“Article 100

- (1) IUP or IUPK holders are required to provide and place Reclamation guarantee funds and/or Post-Mining guarantee funds, the amount of which is determined by the Minister.
- (2) In order to ensure the implementation of Reclamation and protection of Post-Mining impacts for the community and regions, the Minister shall involve Regional Governments.
- (3) The Minister may appoint a third party to carry out Reclamation and/or Post-Mining with the guarantee funds as referred to in paragraph (1).
- (4) The provisions as referred to in paragraph (3) shall apply if IUP or IUPK holders fail to carry out Reclamation and/or Post-Mining in accordance with the approved plan.”

18. Provisions of Article 104A have been amended, therefore it reads as follows:

“Article 104A

- (1) In order to increase the added value of Minerals and/or Development and/or Utilization of Coal, the Central Government may assign a state research institution, regional research institution, BUMN, regionally-owned enterprise, or private Business Entity to conduct Investigation and Research and/or project development activities in the assignment area.
- (2) BUMN, regionally-owned enterprise, or private Business Entity that has conducted Investigation and Research and/or activities in the context of project development in the assignment area shall have the right to match the bids in the auction of WIUP or WIUPK for Minerals and/or WIUP or WIUPK for Coal.”

19. Provisions of paragraph (1) and paragraph (3) of Article 108 have been amended, therefore Article 108 reads as follows:

“Article 108

- (1) IUP and IUPK holders are required to prepare community development and empowerment programs consisting of:
 - a. social and environmental responsibility programs;
 - b. involvement of local communities and indigenous communities in the WP in Mining activities; and
 - c. community-based business partnership and economic empowerment programs.
- (2) IUP and IUPK holders are required to allocate funds for the implementation of community development and empowerment programs as referred to in paragraph (1), the minimum amount of which is determined by the Minister.
- (3) Preparation of the program as referred to in paragraph (1) shall be consulted with the Minister, Regional Governments, and local communities and/or indigenous communities.”

20. After letter i paragraph (3) of Article 124, 1 (one) letter has been added, namely letter j, therefore Article 124 reads as follows:

Article 124

- (1) IUP or IUPK holders are required to use local and/or national Mining Services companies.
- (2) In the event that there is no Mining Services company as referred to in paragraph (1), IUP or IUPK holders may use a Mining Services company that is a legal entity in Indonesia for the purpose of foreign investment.
- (3) Types of Mining Services businesses shall include implementation in the fields of:
 - a. General Investigation;
 - b. Exploration;
 - c. Feasibility Study;
 - d. Mining Construction;
 - e. Transportation;
 - f. Mining environment;
 - g. Reclamation and Post-Mining;

- h. Mining safety;
 - i. Mining; and/or
 - j. Processing.
- (4) Further provisions on the use of local and/or national Mining Services companies shall be regulated by or based on a Regulation of the Government.”

21. Between Article 141A and Article 142 is inserted 1 (one) article, namely Article 141B, which reads as follows:

“Article 141B

In the context of implementing guidance and supervision, part of the non-tax state revenue obtained from the implementation of Mineral and Coal Mining business activities shall be managed by the Minister in accordance with the provisions of laws and regulations.”

22. Provisions of paragraph (1) of Article 151 have been amended, therefore Article 151 reads as follows:

“Article 151

- (1) The Minister has the right to impose administrative sanctions against holders of IUP, IUPK, IPR, SIPB, or IUP for Sales for violations of the provisions as 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 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 141, 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 paragraph (1), Article 128 paragraph (1), Article 129 paragraph (1), Article 130 paragraph (2), or Article 136 paragraph (1).
- (2) Administrative sanctions as referred to in paragraph (1) are in the form of:
- a. written warning;
 - b. fine;
 - c. temporary suspension of some or all of the Exploration or Production Operation activities; and/or
 - d. revocation of IUP, IUPK, IPR, SIPB, or IUP for Sales.”

23. Provisions of paragraph (1) of Article 169A have been amended and between paragraph (1) and paragraph (2) is inserted 1 (one) paragraph, namely paragraph (1a), therefore Article 169A reads as follows:

“Article 169A

- (1) KK and PKP2B as referred to in Article 169 may be given an extension to become IUPK as a Continuation of Contract/Agreement Operations after fulfilling the requirements with the following provisions:

- a. contracts/agreements that have not received an extension may receive 2 (two) extensions in the form of IUPK as a Continuation of Contract/Agreement Operations, each for a maximum period of 10 (ten) years as a continuation of operations after the end of the KK or PKP2B by taking efforts to increase state revenue into account.
 - b. contracts/agreements that have received the first extension may be granted a second extension in the form of IUPK as a Continuation of Contract/Agreement Operations for a maximum period of 10 (ten) years as a continuation of operations after the end of the first extension of the KK or PKP2B by taking efforts to increase state revenue into account.
- (1a) The extension as referred to in paragraph (1) shall be carried out after an environmental audit has been carried out.
- (2) Efforts to increase state revenue as referred to in paragraph (1) letter a and letter b shall be carried out through:
- a. re-arrangement of the imposition of tax revenue and non-tax state revenue; and/or
 - b. area of IUPK as a Continuation of Contract/Agreement Operations in accordance with the development plan for the entire contract or agreement area as determined by the Minister.
- (3) In the implementation of the extension of IUPK as a Continuation of Contract/Agreement Operations, all goods obtained during the implementation period of the PKP2B which are determined to be state property may still be utilized in Coal Mining business activities in accordance with the provisions of laws and regulations.
- (4) Holders of IUPK as a Continuation of Contract/Agreement Operations as referred to in paragraph (1) for Coal mining commodities are required to carry out Coal Development and/or Utilization activities domestically in accordance with the provisions of laws and regulations.
- (5) Holders of IUPK as a Continuation of Contract/Agreement Operations for Coal mining commodities who have carried out integrated Coal Development and/or Utilization obligations domestically in accordance with the development plan for the entire agreement area approved by the Minister shall be given an extension of 10 (ten) years each time the extension is made after fulfilling the requirements in accordance with the provisions of laws and regulations.”
24. Between Article 171A and Article 172 are inserted 2 (two) articles, namely Article 171B and Article 171C, which read as follows:

“Article 171B

- (1) IUP issued before the enactment of this Law and there are problems of 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.
- (2) Overlapping part or all of the WIUP as referred to in paragraph (1) shall include:
 - a. overlapping WIUP with other WIUP issued by the Central Government or Regional Governments for the same Mining commodity;
 - b. overlapping WIUP with IUP that is still valid; or
 - c. overlapping IUP with other IUP issued by the Central Government or Regional Governments for the same Mining commodity.
- (3) In the context of accountability and legal certainty for Mining Business, the Central Government shall convey the results of the evaluation, revocation, and return as referred to in paragraph (1) openly and provide an opportunity for clarification within a maximum period of 14 (fourteen) days

from the submission of the results of the evaluation, revocation, and return of the IUP.

- (4) Further provisions on the problem of overlapping part or all of the WIUP, the results of the Central Government's evaluation, revocation, and return of the IUP as referred to in paragraph (1) up to paragraph (3) shall be regulated by or based on a Regulation of the Government."

"Article 171C

For IUP, IUPK, IPR, and SIPB issued before the enactment of this Law and not fulfilling obligations and/or not carrying out activities in accordance with the provisions of laws and regulations, all or part of the area may be arranged and utilized in accordance with the results of the Minister's evaluation."

25. Provisions of Article 172B have been amended, therefore it reads as follows:

"Article 172B

- (1) WIUP, WIUPK, or WPR that has been granted permits in the form of IUP, IUPK, or IPR must be delineated in accordance with the use of space and area for Mining Business activities in accordance with the provisions of laws and regulations.
- (2) The Central Government and Regional Governments shall guarantee that there will be no changes in the use of the space and area as referred to in paragraph (1) in WIUP, WIUPK, or WPR that has been granted permits as long as it does not conflict with the provisions of laws and regulations."

26. Provisions of Article 173A have been amended, therefore it reads as follows:

"Article 173A

The provisions of this Law shall apply to all provinces in the territory of the Unitary State of the Republic of Indonesia as long as they are not specifically regulated in the Law that regulates the special characteristics and specialities of the region.

27. Provisions of Article 174 have been amended, therefore it reads as follows:

"Article 174

- (1) Implementing regulations of this Law must be stipulated no later than 6 (six) months after this Law comes into force.
- (2) The Central Government, the House of Representatives of the Republic of Indonesia through the supporting apparatus handling the field of legislation, and the Regional Representative Council of the Republic of Indonesia through the supporting apparatus handling the field of drafting laws are required 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."

Article II

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

For public cognizance, it is hereby ordered that this Law be promulgated in the State Gazette of the Republic of Indonesia.

Ratified in Jakarta

on 19 March 2025

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Signed.

PRABOWO SUBIANTO

Promulgated in Jakarta

on 19 March 2025

THE MINISTER OF STATE SECRETARY OF THE REPUBLIC OF INDONESIA,

Signed.

PRASETYO HADI

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2025 NUMBER 29



**ELUCIDATION
OF
LAW OF THE REPUBLIC OF INDONESIA
NUMBER 2 OF 2025
ON
FOURTH AMENDMENT TO LAW NUMBER 4 OF 2009 ON MINERAL AND COAL MINING**

I. GENERAL

Minerals and Coal located within the territory of the Unitary State of the Republic of Indonesia are non-renewable natural resource assets as a gift from God Almighty. The management of Minerals and Coal shall be controlled by the state to increase added value for the national economy. This aims to realize prosperity and welfare of the people in a just manner as mandated in the 1945 Constitution of the Republic of Indonesia, especially in the provisions of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia which states that "The earth and water and the natural resources contained therein shall be controlled by the state and used for the greatest prosperity of the people".

In order to compete at the national, regional, and international levels, downstream mining activities, as one of the drivers of national economic growth, require strengthening and ensuring the supply of raw materials effectively, efficiently, sustainably, and environmentally friendly. Downstream is the first step in changing Indonesia from a developing country to an advanced industrial country. Downstream Mineral and Coal Mining is a process carried out to provide added value from raw materials mined from deep underground so as to provide greater economic benefits and create a sustainable and independent industrial ecosystem. The downstream activity policy in this Law must be strengthened as one way to achieve the target towards "Indonesia Emas 2045". For this reason, downstream activities shall be carried out by strengthening Investigation and Research to optimize Mineral and Coal Exploration. In addition, the management of downstream activities needs to accelerate the involvement of various parties that have contributed to improving the national economy.

The existence of Law Number 4 of 2009 on Mineral and Coal Mining as amended several times, most recently by Law Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law (from this point onward is referred to as Law on Mineral and Coal Mining), needs to be improved as an implementation of Decision of the Constitutional Court Number 64/PUU-XVIII/2020 and Decision of the Constitutional Court Number 37/PUU-XIX/2021 as well as adjustments to the legal needs of the community so that this Law can be implemented and has the utility and effectiveness in responding to the challenges of Mineral and Coal Mining in the present and future.

Based on the abovementioned background, it is necessary to improve the Law on Mineral and Coal Mining to provide legal certainty in the management and business activities of Mineral and Coal Mining for business actors in the Mineral and Coal sector. As an improvement to the Law on Mineral and Coal Mining, there are new contents added to this Law as follows:

1. Adjustment of several provisions of this Law as an implementation of the Decisions of the Constitutional Court.
2. Regulations related to the determination of WIUP for metal Minerals or Coal given through priority to cooperatives, small- and medium-scale business entities, and business entities owned by religious organizations that carry out economic functions to improve the regional economy.
3. Granting of WIUP for metal Minerals, WIUP for Coal, or WIUPK with priority for the interests of higher education institutions to BUMN, regionally-owned enterprises, or private Business Entities by considering the area of WIUP for metal Minerals, WIUP for Coal, or WIUPK, accreditation of higher

- education institutions, and increase in education access and services for the public.
4. WIUP for metal Minerals or Coal in the context of downstream, which may be given to BUMN and private Business Entities with priority.
 5. Granting of IUPK carried out with priority to BUMN, regionally-owned enterprises, cooperatives, small- and medium-scale business entities, and business entities owned by religious organizations, while IUPK for private Business Entities given by auction.
 6. Increase in added value of Minerals carried out by assigning Investigation and Research to state research institutions, regional research institutions, BUMN, regionally-owned enterprises, and private Business Entities along with the offering of equal rights in the auction of WIUP or WIUPK for Minerals.
 7. Regulations related to non-tax state revenue obtained from the implementation of Mineral and Coal Mining business activities managed by the Minister.
 8. Provisions related to IUP issued before this Law based on the evaluation of the Central Government with overlap in their WIUP, which is revoked and returned to the state.
 9. Deadline for the formation of implementing regulations and monitoring and review of this Law carried out after this Law comes into force.

By improving several materials contained in this Law, it is hoped that the management of Mineral and Coal Mining can increase added value, accelerate the involvement of small- and medium-scale business entities, and religious organizations, as well as increase the independence and excellence of higher education institutions in improving education access and services for the public, and improve the national economy.

II. ARTICLE BY ARTICLE

	Article I
Number 1	
	Article 1
Self-explanatory.	
Number 2	
	Article 5
Paragraph (1)	
Self-explanatory.	
Paragraph (2)	
"Certain types of non-metal Minerals" are non-metal Minerals that are of high value and not easily obtained (including diamonds and precious stones) or non-metal Minerals that are needed to guarantee the supply of strategic industries (including limestone, clay, and quartz sand for the cement industry).	
Paragraph (3)	

"Prioritizing the fulfillment of the needs of state-owned enterprises that control the livelihoods of many people" shall include, among other things, the fulfillment of the needs of state-owned enterprises that provide electricity, energy, and fertilizers for the needs of the wider community and national strategic industries.

Paragraph (4)

Self-explanatory.

Number 3

Article 17

Self-explanatory.

Number 4

Article 17A

Self-explanatory.

Number 5

Article 22A

Self-explanatory.

Number 6

Article 31A

Self-explanatory.

Number 7

Article 35

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

"Assignment permit" is a permit for the purpose of managing radioactive Minerals in accordance with the provisions of laws and regulations in the nuclear energy sector.

Letter g

Self-explanatory.

Letter h

Self-explanatory.

Letter i

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

The electronically integrated Business Licensing system managed by the Central Government shall be implemented in accordance with the provisions of Business Licensing as stipulated in Law Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law.

Number 8

Article 38

Letter a

"Business Entity" shall include BUMN, regionally-owned enterprises, private Business Entities, small- and medium-scale business entities, or business entities owned by religious organizations.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Number 9

Article 47

Self-explanatory.

Number 10

Article 51

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

The electronically integrated Business Licensing system managed by the Central Government shall be implemented in accordance with the provisions of Business Licensing as stipulated in Law Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Number 11

Article 51A

Self-explanatory.

Article 51B

Self-explanatory.

Number 12

Article 60

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

The electronically integrated Business Licensing system managed by the Central Government shall be implemented in accordance with the provisions of Business Licensing as stipulated in Law

Number 6 of 2023 on the Stipulation of Regulation of the Government in Lieu of Law Number 2 of 2022 on Job Creation into Law.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Number 13

Article 60A

Self-explanatory.

Article 60B

Self-explanatory.

Number 14

Article 74

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Number 15

Article 75

Self-explanatory.

Number 16

Article 75A

Self-explanatory.

Number 17

Article 100

Self-explanatory.

Number 18

Article 104A

Self-explanatory.

Number 19

Article 108

Self-explanatory.

Number 20

Article 124

Self-explanatory.

Number 21

Article 141B

Self-explanatory.

Number 22

Article 151

Self-explanatory.

Number 23

Article 169A

Paragraph (1)

Self-explanatory.

Paragraph (1a)

Environmental audit is a systematic evaluation to assess a business entity's compliance with the provisions of laws and regulations relating to the environment, health, and human safety.

Paragraph (2)

Self-explanatory.

Paragraph (3)

All goods obtained during the implementation period of the PKP2B which are determined to be state property shall be subject to rent in the form of a tariff for the use of state property which is part of the increase in the tariff for non-tax state revenue on the sale of Coal.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Number 24

Self-explanatory.

Article 171B

Article 171C

Self-explanatory.

Number 25

Self-explanatory.

Article 172B

Number 26

Self-explanatory.

Article 173A

Number 27

Self-explanatory.

Article 174

Self-explanatory.

Article II

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 7100

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