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ELECTRIFICATION RATIO AT 3 PERCENT

Joko Widodo's Government aims to increase the ratio of electrification to 99 percent in the next five years. Director General of Electricity Jarman said, to achieve the target the government will annually increase the electrification ratio for at least three percent.

DEVELOPMENT OF PLTU OF BATANG CONTINUES

Indonesia's Vice President Jusuf Kalla said the government would continue the development of coal-fired power plant (PLTU) of Batang in Central Java with capacity of 2x1000MW. PT PLN is assigned to immediately settle the acquisition of the remaining 13-percent of the total land area of 226 ha.

TO RESERVE NATIONAL RESOURCES

Indonesian Minister of Energy and Mineral Resources Sudirman Said as quoting the data from the National Development Planning Agency said that the millions of tons of Indonesian coal are exported to other countries and the coals are used for the energy resilience of a number of the countries. In the future Indonesia has to reserve its own natural resources.

SANCTION TO REVOKE PERMITS

Indonesian Minister of Energy and Mineral Resources Sudirman Said said, the government will impose sanctions if a company does not obey the country's regulations. The sanction will be included in the would-be renegotiated contract, which is currently still in process. About 4,600 permits of mining companies that have yet to be in a status of clear and clean will also be revoked by end of this year.

THREE COAL-FIRED POWER PLANTS (PLTUs) IN KALIMANTAN

Minister for National Development Planning/ Head of Bappenas Andrinof Chaniago said his quarter will set a program on the development of three PLTUs with capacity of 200MW respectively in Kalimantan. As projected the PLTUs will have been developed in the next three years by investing Rp6 trillion.

170 MILLION TONS IN THE YEAR 2024

Director General of Mineral and Coal R Sukyar said the allocation of domestic coal will be at 110 million tons next year. "With the additional capacity of 35,000 MW of the power plants that are mostly of coal-fired power plants (PLTUs) under the government program in the next five years, then in the year 2024 the national coal demand will be at 170 million tons," he said.

DEFAULT IN DEBT

The management of PT Bumi Resources Tbk was disappointed about the company's debt rating that has been lowered to "default" from the previous status of "selective default". Corporate Secretary of Bumi Dileep Srivastava said his company has an intention to reduce the debt, which is now reaching Rp44 trillion.

THE GROWTH SLOWS DOWN

The growth of coal demand will be slowing down in the next five years after China has reduced the intensity of energy and the diversification of supply. The coal demand will grow at 2.1 percent in the year 2019 to 6.5 billion tons. It was said by Maria van der Hoeven, the executive director of the Energy Information Administration.

EXPORTS TAX FOR COAL

Indonesian Government again planned to impose the export tax of coal. Director for Revenues and Regulations of Customs and Excise under the Directorate General of Customs and Excise Susiwiyono Moegiarso said it could compensate the revenues from palm oil that have so far been decreasing. The potential revenues can be as much as Rp22 trillion

TEAM ON THE ACCELERATION OF ELECTRICITY DEVELOPMENT

Ministry of Energy and Mineral Resources creates a Team of Task Force on the Acceleration of National Electricity Development. Chairman of the task force team Jarman said the team was created in order to overcome the obstruction of projects of electricity development in Indonesia.

TO DISCUSS ABOUT COAL UTILIZATION

Directorate General of Mineral and Coal held a meeting with the industrialists and stakeholders in the sector on Friday (December 10, 2014) to discuss about the strategy on how to increase the use of coal for the sake of national energy resilience. If China can consume coal in bulk, why does the industry in Indonesia consume the coal minimally?

STERN SANCTION EARLY IN THE YEAR 2015

Secretary to Director General of Mineral and Coal Paul Lubis confirmed that the wrongdoers in the sector of mineral and coal will be sternly sanctioned by the Corruption Eradication Commission (KPK) early in the year 2015. Any of the local governments (Pemda's) is also requested to be stern by revoking the permits of mining undertakings (IUPs) that are problematic.

PARTNERSHIP IN PLTU OF TABALONG

PT Adaro Energy Tbk invited Hyundai Engineering and Construction Co Ltd to develop a PLTU with capacity of 2x100MW owned by PT Tanjung Power Indonesia, a subsidiary of Adaro in Tabalong of South Kalimantan. The contract value is US\$325 million. It was reported by the press.

76 PERCENT EXPORTED

In the year 2015 Indonesian coal production will be increased from 425 million tons to 460 million tons and 76 percent of the production will be exported. "Since the target of State's non-tax revenues is increased from Rp40.6 trillion to Rp50.6 trillion, therefore we must also raise the coal production," said Director General of Mineral and Coal R Sukhyar.

TO REDUCE THE VOLUME OF IMPORTS

China's coal demand is predicted to decline due to strong power supplies from hydro power plants. China's government through its National Development and Reform Commission has also instructed the State's power producers and coal importers to reduce the volume of their imports since September this year.

PRODUCTION RISES

Until the third quarter of the year 2014 the coal production of PT Adaro Energy Tbk rose by 2 percent to 41.9 million tons. The management of Adaro said it was equal to 74.8 percent of the year-end production target of 54-56 million tons.