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## **COMMITMENT OF MINISTER OF ENERGY AND MINERAL RESOURCES**

Indonesia's Minister of Energy and Mineral Resources Sudirman Said talked to business people and officials of Ministry of Energy and Mineral Resources (ESDM) in Jakarta a few days ago that ESDM is committed to accelerating the development of power generation with total capacities of 35,000 MW and the development of smelters whereas to curb the practices of illegal mining in the country.

## **THE BIGGEST COAL SEAPORT INAUGURATED**

On Wednesday, June 10, 2015, Indonesian's Transportation Minister Ignatius Jonan inaugurated the operation of Tarahan Seaport as the largest coal seaport in Indonesia. This seaport located in Bandar Lampung has a capacity of berthing of vessel of 210,000 Dead Weight Tonnage (DWT). This seaport is owned by PT Bukit Asam (Persero).

## **COAL PRODUCTION STILL RESTRICTED**

The Government of Indonesia remains committed to restricting coal production in the country. "But this year (2015) the production will remain at a target of 425 million tons of coal, until the year 2019 the production will be decreased to 400 million tons," said Director General of Mineral and Coal Bambang Gatot during the event of the 21<sup>st</sup> Coaltrans Asia at Bali International Convention Center of Nusa Dua in Bali on Monday (June 8, 2015).

## **REVISION OF COAL PRODUCTION**

Indonesia's Director of Coal Mining Undertakings under the Ministry of Energy and Mineral Resources (ESDM) Adhi Wibowo said the Ministry is still awaiting the submission of revision of work plan and cost budget of any coal company that wants to reduce its production this year.

## **PLTU-I CILACAP TO OPERATE SOON**

Indonesia's Director General of Electricity Jarman said the government of Indonesia is targeting the expansion of coal-fired power plant (PLTU) of Cilacap phase I with capacity of 1x660 MW will soon be operational at end year 2015. The expansion of PLTU Cilacap from a capacity of 2x300 MW will be operated by PT Sumber Segara Primadaya.

## **PLTU BANJARSARI COMPLETED**

PT Bukit Asam Tbk has completed the development of 2x100-MW coal-fired power plant (PLTU) of Banjarsari. President Director of Bukit Asam Milawarma said this mine-mouth PLTU in Lahat Regency of South Sumatra is just waiting for inauguration.

## **INDIA IS THE WORLD'S LARGEST**

Despite being one of the largest coal consumers in the world India is now able to position itself as the largest coal trader in the world amidst the falling world coal prices. Commercial Director of PT Mitra Bahtera Segara Sejati Tbk Ika Bethari said it was because of various programs of development of coal-fired power plants.

## **46.7 PERCENT OF IUP DOCUMENTS ARE HANDED OVER**

As recorded on June 2, 2015 out of 10 432 permits of mining undertakings (IUPs), 4877 IUPs, or 46.75 percent, have been handed over from the local governments of regencies or municipalities to the provincial governments. Of which 1,617 IUPs are of coal mining undertakings.

## **COAL PRODUCTION DECREASES**

In a period from January to May 2015 the production of coal was recorded at 166 million tons, or 19.42 percent lower than the production in the same period last year at 206 million tons. Indonesia's Ministry of Energy and Mineral Resources recorded that the decline of percentage was greater than the decline of production in the period of January-April 2015 at 11.56 percent.

## **HIGH-CALORIE COAL ROYALTIES RISE**

Indonesia's Minister of Energy and Mineral Resources Sudirman Said ensured that the government of Indonesia will raise the coal royalties of companies as the holders of permits of mining undertakings (IUPs) although the coal prices remain plummeting. However, the royalty increase is only for high-calorie and medium-calorie coals.

## **DOMESTIC SUPPLY AT 250 MILLION TONS**

Indonesia's Minister of Energy and Mineral Resources Sudirman Said after opening the 21<sup>st</sup> Coaltrans Asia in Bali recently said that the power project with total capacity of 35,000 MW was targeted to be completed in the year 2019 and the need for coal supplies in the country will increase to 250 million tons per year from the previous need of 90 million tons.

## **DOWNSTREAM COAL MINING**

Indonesia's Director General of Mineral and Coal Bambang Gatot said the government is currently encouraging the program of downstream coal mining all over the country. In the province of East Kalimantan the program of downstream industry of coal such as the manufacture of coal briquettes for small and medium-sized companies has been taking effects.

## **BERAU EYED BY PROVINCIAL GOVERNMENT OF EAST KALIMANTAN**

GM Corporate Communications of PT Berau Coal Energy Tbk Singgih Widagdo said the provincial government of East Kalimantan is interested to acquire part of the divested shares of Berau. Based on the company's data the coal reserves of Berau total 512 million tons, comprising 233 million tons of proven reserves and 279 million tons of probable reserves.

## **US\$1.2M REQUIRED TO DEVELOP PLTU**

A consortium of PT Adaro Energy Tbk and Shenhua Overseas Development and Investment Co Ltd will need US\$1.2 billion to develop a 2x300-MW coal-fired power plant (PLTU) in the province of East Kalimantan. It was said by Adaro's Corporate Secretary Cameron Tough.

## **SITE PERMIT OF PLTU BATANG ISSUED IN JUNE**

PT PLN ensured that it would obtain a site permit for the coal-fired power plant (PLTU) of Batang with capacity of 2x1.000 MW in June this year. PLN's Director Nicke Widyawati confirmed about it and the unsettled land acquisition is only at 5 percent.

## **TO POSTPONE ROYALTY INCREASE**

The holders of permits of mining undertakings (IUPs) have again called on the government of Indonesia to postpone its plan to raise the rates of royalties because the prices of coal commodities have continued to decline since the past two years. Even, the price in May 2015 had reached the lowest since 2009.