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TO MAKE A BREAKTHROUGH

As the growth of the country's economy is still in turmoil the government of Indonesia called on the producers of coal commodities to make a breakthrough on coal operations so that the economy, especially in the region, can be further stimulated. It was said by Minister of Finance Bambang Brodjonegoro.

TARGET OF PNBP AT RP48 TRILLION IN 2016

Director General of Mineral and Coal Bambang Gatot Ariyono revealed that the target of State's Non-Tax Revenues (PNBP) from the coal sector in the year 2016 will be at Rp48 trillion, or lower than this year's target.

DMO SOARS

The absorption of coal based on domestic market obligation (DMO) in Indonesia increased 5.71 percent in the year 2015 when compared to last year's. The allocation of DMO for a period of January-November 2015 was 70 million tons. Director of Ministry of Energy and Mineral Resources (MEMR) Adhi Wibowo said the surge of demand was due to increasing number of coal-fired power plants (PLTUs) developed throughout the country.

PLTUS TO SUPPORT COAL PRICE IN 2016

Executive Director of the Indonesian Coal Mining Association (APBI-ICMA) Supriatna Suhala said coal-fired power plants (PLTUs) will support the coal price in the year 2016. The coal demand next year is estimated to be better than that in the year 2015 following the operation of a number of PLTUs in the country and also the operations of PLTUs in a number of countries such as the Philippines, Malaysia and India.

COAL TO BE PRESSURED TILL YEAR 2020

International Energy Agency (IEA) predicted that the coal is still going to suffer from pressures up to the year 2020 in line with the drop of demand from China. It was said by IEA Executive Director Fatih Birol during the event on Singapore Energy Market Authority on Friday, Dec18, 2015

32 CONTRACTS AMENDED

A total of 21 mining companies signed the amendment of their respective contracts. They are nine companies as the holders of contracts of works (COWs), and 12 companies as the holders of the Agreements of Coal Mining Undertakings (PKP2Bs). The total of contracts that have so far been amended is 32, and 22 of them are those of the holders of PKP2Bs.

COAL PRICE DOWN 24.5 PERCENT

Coal price was reported to fall by 24.5 percent in the year 2015 due to declining import of China in line with the country's policy to protect its domestic industries and another policy to reduce the carbon emissions from power plants. It was revealed by Bank Indonesia based on its December 2015 Monetary Policy.

10 COALMINES SHUT BY PROVINCIAL GOVERNMENT

East Kalimantan's Governor Awang Ishak Faroek has temporarily shut 10 coalmining companies that are operating in the region; most of the companies have been abandoning their respective mining pits without any efforts of reclamation. One was killed because of such negligence.

TO SPEED UP THE PROCESS OF CONTRACT NEGOTIATION

Indonesian Minister of Energy and Mineral Resources Sudirman Said encouraged the Directorate General of Mineral and Coal as well as the industries in the mineral and coal sector to speed up the process of renegotiation of their respective contracts because the current situation is rapidly changing.

PRODUCTION TARGET AT 419 MILLION TONS IN 2016

Director General of Mineral and Coal Bambang Gatot Ariyono said a number of coal mining companies have revised their respective budget and work plans (RKAP) in the year 2016. Therefore, the coal production target for the year 2016 will fall to 419 million tons, lower than this year's target at 425 million tons.

CONTRACT AMENDMENT TO RAISE PNBP

Director General of Mineral and Coal Bambang Gatot Ariyono hoped the signing of the amendment of mining contracts with 22 companies as the holders of PKP2Bs can eventually raise the State's non-tax revenues (PNBP) at 150-200 percent. "From the amendment of PKP2Bs it is expected there will be an increase of 15-20 percent of revenues from dead rents," he said.

PNBP 2015 NOT TO REACH TARGET

Indonesian Ministry of Energy and Mineral Resources ensured that the State's Non Tax Revenue (PNBP) from the mineral and coal sector this year does not reach the target due to falling commodity prices in the global market. Director General of Mineral and Coal Bambang Gatot Ariyono said the PNBPs managed to reach only Rp30 trillion.

COAL EXPORT DOWN 27.71 PERCENT

Director of Coal Mining Undertakings under the Ministry of Energy and Mineral Resources (MEMR) Adhi Wibowo said the global conditions impacted the national coal export this year and the volume for the period of January-November 2015 decreased to 253 million tons from 335 million tons, or 27.71 percent lower than last year's.

PLN IS TO ABSORB ONLY 61 MILLION TONS

In the year 2015 the uptake of coal for the power plants of PT PLN decreased to only 61 million tons. It was due to sluggish economic conditions in Indonesia that have made the level of industrial productivity remain low.

TO DEVELOP DERIVATIVE PRODUCTS OF COAL

Energy Watch Indonesia agreed with Minister of Industry Saleh Husin who wants to develop derivative products of coal. "The coal must be further processed in the downstream sector and turn it into briquettes," said Executive Director of Energy Watch Indonesia Ferdinand Hutahaean.

CAPITAL EXPENDITURES AT US\$140 MILLION

PT Bara Jaya International Tbk will allocate a total of capital expenditures and operating expenditures of US\$120 million - US\$140 million next year. A part of the expenditures will be allocated to acquire a mining area of coal with calorie of above 5,000 KKL/kg located in the province of Central Kalimantan, said Bara Jaya's President Director Albert JG Bangun.