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TO REVISE LAW ON MINERAL AND COAL

Indonesian Ministry of Energy and Mineral Resources (MEMR) together with People's House of Representatives (DPR) will revise Law Number 4 Year 2009 on Mineral and Coal Mining. As expected the result of revision will become a stimulus to mining businesses in this country. "The point is that we have to respond to different situations following the enactment of this would-be revised Law No. 4/2009," said Minister of Energy and Mineral Resources Sudirman Said.

TO BOOST CAPACITY UP TO 5,000 MW

PT Tambang Batu Bara Bukit Asam Tbk will boost its electricity capacity to 5,000 MW, or approximately 15 percent of the total capacity of the government's power project of 35,000 MW. "In regard of the government's program of 35 000 MW, at least 15 percent can actually be fulfilled by Bukit Asam," said President Director of PTBA Arviyan Arifin.

CONTRACT WORTH US\$6 MILLION

PT Bara Jaya International Tbk managed to obtain a contract of coal purchases from Best Land Corporation for a period of June 1 to December 31, 2016 and the value of contract is US\$6 million. The company is also expecting other new contracts. The company will also begin to lease its idle heavy equipment in order to increase the company's cash. It was said by Corporate Secretary Andreas Andy.

COAL PRODUCERS TO SUPPORT GOVERNMENT'S 35-MW POWER PROGRAM

Chairman of the Indonesian Coal Mining Association (APBI-ICMA) Pandu Sjahrir said, coal industry will give a full support to the government's 35,000-MW crash program. But this coal association also called for the clarity of this government's program. Such a call was expressed during the event of the 22nd Coaltrans Asia Conference held in Bali on 29-31 May 2016.

EXPANSION TO PLTU

PT Toba Bara Sejahtera Tbk is currently in a process of expanding the capacity of power generation to a maximum of 200 MW by investing in a range from US\$200 million to US\$260 million. President Director of Toba Bara Sejahtera Justarina Naiborhu said the development for the expansion is this non mine-mouth coal-fired power plant (PLTU) will soon be announced. As targeted the power business of the company can be started this year.

TO BUY BACK 89.67 MILLION SHARES

PT Indo Tambangraya Megah Tbk plans to buy back its shares for as many as 89.67 million shares by allocating a fund of Rp1.19 billion. As revealed from the publication of information disclosure, the buyback of shares will be conducted gradually within 3 (three) months.

TO BOOK A NET PROFIT

When coal price is currently low, PT Mitrabara Adiperdana Tbk can even book a net profit. Mitrabara recorded a net profit of US\$34.6 million last year. The profit increased from the profit in the previous year at US\$13.9 million. Mitrabara Adiperdana's President Director Ridwan said, the profit could be made because of the company's strategy in tackling the low price of coal by increasing the production.

RULING ON PERMITS TO BE COMPLETED IN YEAR 2017

Indonesian Ministry of Energy and Mineral Resources is targeting the ruling on permits of mineral and coal mining will be completed in the year 2017. Minister of Energy and Mineral Resources Sudirman Said explained, based on this aspect the Ministry of Energy and Mineral Resources will not hesitate to revoke the permit of mining undertakings (IUP) of company that proves to be non-compliant. "Early in the year 2017 the ruling on permits of undertakings of minerals and coal will have eventually been completed," he said.

3966 IUPS ARE PROBLEMATIC

There are more than 3,966 permits of mining undertakings (IUPS) that are problematic out of 5,000 permits that have been verified based on the activity of coordination and supervision (korsup) conducted by the Corruption Eradication Commission (KPK) together with Indonesian Ministry of Energy and Mineral Resources recently. It was said by Minister of Energy and Mineral Resources Sudirman Said.

DO NOT ISSUE NPE

The Corruption Eradication Commission (KPK) called on the government of Indonesia not to issue a Memorandum of Export Services (NPE) for any of producers in mineral and coal mining sector who are not equipped with the status of Clean and Clear (CnC). Chairperson of KPK's National Movement on Natural Resources Dian Patria said there are thousands of Permits of Mining Undertakings (IUPS) that are not equipped with the status of CnC based on the evaluation that has been conducted since February this year.

TO IMMEDIATELY APPROVE PLN'S RUPTL

Currently PT PLN is postponing the development of 4 (four) projects of infrastructures in regard of the development of coal-fired power plants (PLTU) Sumsel 8, 9, 10, and HVDC. President Director of PT Bukit Asam (PTBA) Arviyan Arifin hoped Ministry of Energy and Mineral Resources (ESDM) will immediately approve the Electricity Supply Business Plan (RUPTL) of PLN. It is in considering PTBA has potential coal reserves of up to 8 billion tons that can be supplied to PLTUs.

RISING DEMAND FOR COAL

The need of the supply of coal for coal-fired power plants (PLTUs) in the country is expected to increase significantly in the next five years, of which is estimated to reach 177.5 million tons. APBI-ICMA's Chairman Pandu Sjahrir said, coal can be used as a future capital of development and in fact there are 30-40 billion tons of coal that can be produced in this country.

SPECIAL POLICY ON COAL SUPPLY

Indonesian Government is called on to consider making a special policy or giving guarantee to producers in regard of supply of coal to coal-fired power plants (PLTUs) in the country. "To meet the demand of coal for coal-fired power plants (PLTUs) the producers must be prepared to sustainably supply the coal to PLTUs. Regrettably, the currently low price of coal has badly impacted the coal producers," said Supriatna Suhala Executive Director of APBI-ICMA.