

MINING RECLAMATION AND CLOSURE

(Regulation of the Minister of Energy and Mineral Resources No. 18/ 2008 dated May 29, 2008)

THE MINISTER OF ENERGY AND MINERAL RESOURCES,

Considering:

- a. that mining activities are potential to change landscape so that efforts to guarantee the utilization of land in former locations of mining activities so as to function in accordance with their designation are needed;
- b. that based on the consideration as meant in letter a, it is necessary to stipulate a regulation of the Minister regarding Mining Reclamation and Closure;

In view of:

1. Law Number 11 Year 1967 on Mining Basic Provisions (Statute Book of the Republic of Indonesia Year 1967 No 22, Supplement to Statute Book of the Republic of Indonesia No. 2831);
2. Law Number 23 Year 1997 (*BN No. 6092 pages 19A-21A and so on*) on Environmental Management (Statute Book of the Republic of Indonesia Year 1997 No. 68, Supplement to Statute Book of the Republic of Indonesia No. 3699);
3. Law Number 32 Year 2004 (*BN No. 7163 pages 1A-11A and so on*) on Regional Administration (Statute Book of the Republic of Indonesia Year 2004 No. 125, Supplement to Statute Book of the Republic of Indonesia Year No. 4437) as already amended by Law Number 8 Year 2005 (Statute Book of the Republic of Indonesia Year 2005 No. 108, Supplement to Statute Book of the Republic of Indonesia Year No. 4548);
4. Law Number 26 Year 2007 (*BN No. 7599 pages 10A-30A and so on*) on Layout (Statute Book of the Republic of Indonesia Year 2007 No. 68, Supplement to Statute Book of the Republic of Indonesia No. 4725);
5. Government Regulation Number 32 Year 1969 on the Implementation of Law Number 11 Year 1967 on Mining Basic Provisions (Statute Book of the Republic of Indonesia Year 1969 Number 60, Supplement to Statute Book of the Republic of Indonesia Number 2916) as already amended twice and the latest by Government Regulation Number 75 Year 2001 (Statute Book of the Republic of Indonesia Year 2001 Number 141, Supplement to Statute Book of the Republic of Indonesia Number 4154);
6. Government Regulation Number 27 Year 1999 (*BN No. 6442 pages 10A-12A and so on*) on Environmental Impact Analysis (Statute Book of the Republic of Indonesia Year 1999 Number 59, Supplement to Statute Book of the Republic of Indonesia Number 3838);
7. Government Regulation Number 38 Year 2007 on Sharing of Public Administration Affairs between the Government, Provincial Governments and Regental/Municipal Governments (Statute Book of the Republic of Indonesia Year 2007 Number 82, Supplement to Statute Book of the Republic of Indonesia Number 4737);

8. Presidential Decree Number 187/M Year 2004 (~~DM No. 7182 pages 30A-31A~~) dated October 20, 2004 as already amended several times and the latest by Presidential Decree 77/P Year 2007 dated August 28, 2007;
9. Regulation of the Minister of Energy and Mineral Resources Number 0030 Year 2005 dated July 20, 2005 on the Organization and Working Arrangement of the Ministry of Energy and Mineral Resources;

DECIDES:

To stipulate:

THE REGULATION OF THE MINISTER OF ENERGY AND MINERAL RESOURCES ON MINING RECLAMATION AND CLOSURE

CHAPTER I

GENERAL PROVISION

Article 1

Referred to in this regulation as:

1. Mining Business shall be a business activity of mineral mining.
2. Reclamation shall be an activity taken to improve or arrange the usage of land affected by mining activities so as to be able to function and become effective in accordance with the designation thereof.
3. Mining closure shall be an activity intended to improve or arrange the usage of land affected by the discontinuation of mining activities and/or processing and purification to fulfill the criteria in accordance with document of mining closure plan.
4. Reclamation Guarantee shall be a certain amount of funds provided by a company as guarantee for reclamation.

5. Mining Closure Guarantee shall be a certain amount of funds provided by a company for ~~executing~~ mining closure.
6. Company shall be a holder of regional mining permit, mining concession (mining business license), working contract and working agreement on coal mining exploitation.
7. Environmental Impact Analysis hereinafter called AMDAL shall be a study on serious and substantial impacts of a planned business and/or activity in the environment, which is required to make decision on the implementation of business and/or activity.
8. Environmental Management Program hereinafter called UKL and Environmental Monitoring Program hereinafter called UPL shall be efforts taken in the management and monitoring of the environment by personnel in charge of business and/or activity, which is not obliged to executed AMDAL.
9. Minister shall be the minister in charge of mining business affairs.

CHAPTER II

PRINCIPLES

Article 2

In executing mining reclamation and closure, companies shall be obliged to abide by the principles of environment occupational safety and health as well as conservation of minerals.

Article 3

The environment principles as meant in Article 2 shall cover:

- a. the quality of surface water, ground water, sea water and soil as well as air in accordance with the quality standard of the environment;
- b. stability and security of landfill, tailing pool, former mining site as well as other man-made structure;
- c. biological diversity;
- d. utilization of former mining site in accordance with the designation thereof; and
- e. social, cultural and economic aspects.

Article 4

The principles of occupational safety and health as meant in Article 2 shall include the creation of a safe condition in accordance with legislation.

Article 5

The principles of mineral conservation as meant in Article 2 shall include the collection of accurate data on minerals which are not exploited and/or processed as well as remainders of mineral processing.

CHAPTER III
PROCEDURES

Part One

General

Article 6

- (1) Companies shall be obliged to formulate mining reclamation plan and mining closure plan.
- (2) The mining reclamation and closure plans as meant in paragraph (1) shall be formulated on the basis of AMDAL or UKL and UPL already approved and become part of feasibility study.

- (3) In formulating the mining reclamation and closure plans as meant in paragraph (1), the companies shall consider:
 - a. the principles as meant in Article 2;
 - b. related legislation; and
 - c. specific condition of the region.

Part Two

Reclamation Plan

Article 7

- (1) The reclamation plan as meant in Article 6 shall be formulated for the implementation of every five years with annual detail, which covers:
 - a. pre and post mining land use;
 - b. land clearing plan;
 - c. reclamation program; and
 - d. planned reclamation cost.
- (2) In the case of the age of mining being less than five years, the reclamation plan as meant in paragraph (1) shall be formulated in accordance with the age of mining.
- (3) The reclamation plan as meant in paragraph (1) and paragraph (2) shall be formulated in accordance with guidelines on formulation of reclamation plan as contained in Attachment I to this regulation.
- (4) Companies shall be obliged to convey reclamation plan of the first five years period as meant in paragraph (1) or in accordance with the age of mining as meant in paragraph (2) to the Minister, governors or regents/mayors in accordance with the respective scopes of authority before the companies start to exploit/operate/produce.

(5) *The reclamation plan of the next five years period shall be conveyed to the Minister, governors or regents/mayors in accordance with the respective scopes of authority before the reclamation of the first five years period ends and so is the following period.*

Part Three

Mining Closure Plan

Article 8

(1) *The mining closure plan as meant in Article 6 shall include:*

- a. regional profile;
- b. description of mining activity;
- c. description of final mining condition;
- d. result of consultation with stakeholders;
- e. mining closure program;
- f. monitoring;
- g. organization; and
- h. planned closure cost

(2) *The mining closure plan as meant in paragraph (1) shall be formulated in accordance with the formulation guidelines as contained in Attachment II to this regulation.*

(3) *Companies shall be obliged to convey the mining closure plan as meant in paragraph (1) and paragraph (2) to the Minister, governors or regents/mayors in accordance with the respective scopes of authority before exploitation/production operation starts.*

CHAPTER IV

EVALUATION AND APPROVAL

Part One

Evaluation and Approval of Reclamation Plan

Article 9

(1) *The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall evaluate and approve the reclamation plan as meant in Article 7 in not later than 30 (thirty) working days as from the date of receipt of the reclamation plan, excluding the number of days required to improve the reclamation plan.*

(2) *Unless approval is made in a period of 30 (thirty) working days without recommendation about the improvement, the submitted reclamation plan shall be deemed approved.*

Article 10

(1) *Companies shall be obliged to change the approved reclamation plan as meant in Article 9 in the case of any change in one or more of the following matters:*

- a. mining system
- b. land use;
- c. layout; and/or
- d. AMDAL or UKL and UPL.

(2) *The change in the reclamation plan as meant in paragraph (1) shall be submitted in not later than 180 (one hundred eighty) days before the implementation of reclamation of the following period.*

(3) *The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall evaluate and approve the change in the reclamation plan as meant in paragraph (2) in not later than 14*

(fourteen) working days after receiving the change in the reclamation plan, excluding the number of days required to improve the change in the reclamation plan.

Part Two

Evaluation and Approval of Mining Closure Plan

Article 11

- (1) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall evaluate and approve the mining closure plan as meant in Article 8 in not later than 30 (thirty) working days as from the date of receipt of the mining closure plan, excluding the number of days required to improve the mining closure plan.
- (2) Unless approval is made in a period of 30 (thirty) working days without recommendation about the improvement, the submitted mining closure plan shall be deemed approved.

Article 12

- (1) Companies shall be obliged to change the approved mining closure plan as meant in Article 11 in the case of any change in one of the following matters or more:
- a. mining system;
 - b. mining age;
 - c. mining facility and/or infrastructure;
 - d. land use;
 - e. layout; and/or
 - f. AMDAL or UKL and UPL.
- (2) The change in the mining closure plan as meant in paragraph (1) may be submitted two years before the realization of mining closure.

- (3) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall evaluate and approve the change in the mining closure plan as meant in paragraph (2) in not later than 90 (ninety) working days as from the date of receipt of the change in the mining closure plan, excluding the number of days required to improve the change in the mining closure plan.

CHAPTER V

IMPLEMENTATION AND REPORTING

Part One

General

Article 13

Every company shall be obliged to appoint an officer to lead directly the implementation of mining reclamation and closure.

Article 14

Mining reclamation and closure shall be done in accordance with the approved mining reclamation and closure plans as meant in Article 9 up to Article 12.

Part Two

Realization and Reporting of Reclamation

Article 15

- (1) The reclamation as meant in Article 14 shall be done in land affected by mining business activities.
- (2) The affected land as meant in paragraph (1) shall include former mining site and outside ex-mining site, which is not used anymore.

- (3) The land outside ex-mining site as meant in paragraph (2) shall be among others:
- a. landfill;
 - b. fill of raw materials/production material;
 - c. transportation lane;
 - d. factory/processing/purifying installation;
 - e. office and housing; and/or
 - f. seaport/pier.
- (4) Reclamation shall be realized in not later than one month following the termination of mining business activity in the affected land as meant in paragraph (2).

Article 16

- (1) Companies shall be obliged to convey report on the realization of reclamation every year to the Minister, governors or regents/mayors in accordance with their respective scopes of authority.
- (2) The report as meant in paragraph (1) shall be formulated in accordance with guidelines on the formulation of report on the realization of reclamation as contained in Attachment III to this regulation.

Part Three

Implementation and Reporting of Mining Closure

Article 17

The mining closure as meant in Article 14 shall be realized in not later than one month after mining activity and/or processing and purification end.

Article 18

- (1) Companies shall be obliged to convey report on the implementation of mining closure every 3 (three) months to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.

- (2) The report as meant in paragraph (1) shall be formulated in accordance with guidelines on the formulation of quarterly report on the implementation of mining closure as contained in Attachment IV to this regulation.

CHAPTER VI

GUARANTEE FOR MINING RECLAMATION AND CLOSURE

Part One

General

Article 19

- (1) Companies shall be obliged to provide guarantee for mining reclamation and guarantee for mining closure in accordance with the calculation of reclamation budget and mining closure budget already securing approval from the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (2) The calculation of the reclamation budget as meant in paragraph (1) shall be formulated in accordance with guidelines on the formulation of reclamation plan as contained in Attachment I to this regulation.
- (3) The calculation of the mining closure budget as meant in paragraph (1) shall be formulated in accordance with guidelines on the formulation of mining closure plan as contained in Attachment II to this regulation.

Article 20

- (1) The reclamation guarantee may be in the form of time deposit, bank guarantee, insurance or accounting reserve with the provision that:
- a. time deposit is placed at state bank in Indonesia on behalf of the Minister, governor or regent/mayor
 - qq. the said company with the guaranty period according to the reclamation schedule;

- b. bank guarantee is issued by state bank in Indonesia or branch of foreign bank in Indonesia or state-owned underwriting institution with the guaranty period according to the reclamation schedule;
 - c. insurance issued by state bank in Indonesia or branch of foreign bank in Indonesia or state-owned underwriting institution with the guaranty period according to the reclamation schedule; or
 - d. accounting reserve may be placed if the company complies with any of the following requirements:
 - 1. the company is a public listed company registered at stock exchange in Indonesia or stock exchange outside Indonesia; or
 - 2. the company has minimum paid-up capital amounting to US\$25,000,000.00 (twenty five million US dollars), like what is declared in financial statement already audited by public accountant registered at the Ministry of Finance.
- (2) Companies placing reclamation guarantee in the form of accounting reserve shall be obliged to convey annual financial statement already audited by public accountant.
- (3) Companies shall be obliged to submit the model of reclamation guarantee as meant in paragraph (1) to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (4) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall stipulate model of reclamation guarantee placed by the companies as meant in paragraph (1).

Article 21

Guarantee for mining closure may be in the form of time deposit placed at state bank on behalf of the Minister, governor or mayor/regent or the said company with the guaranty period according to the approved mining closure plan.

Article 22

Procedures for the opening of account of time deposit for the placement of reclamation guarantee and mining closure guarantee shall be in accordance with the provisions of legislation.

Part Two

Reclamation Guarantee

Article 23

- (1) The reclamation guarantee as meant in Article 20 shall cover the whole cost of reclamation.
- (2) The reclamation cost as meant in paragraph (1) shall have counted the implementation of reclamation by the third party.
- (3) Reclamation guarantee may be placed in the Rupiah or US Dollar.
- (4) The amount of the reclamation guarantee as meant in paragraph (1) shall be counted on the basis of the following costs:
 - a. direct costs, among others:
 - 1. land arrangement
 - 2. re-vegetation
 - 3. prevention and settlement of mining acid water, and
 - 4. civil engineering.

b. Indirect cost, among others:

1. mobilization and de-mobilization;
2. reclamation planning;
3. administration and profit of the third party as contractor executing reclamation; and
4. supervision, as contained in Attachment I to this regulation.

Article 24

- (1) Companies shall be obliged to place reclamation guarantee before undertaking activities of exploitation/production operation.
- (2) The reclamation guarantee as meant in paragraph (1) shall be stipulated on the basis of the reclamation cost according to the reclamation plan for a period of five years, which has been approved by the Minister, governors or regents/mayors in accordance with the respective scopes of authority as meant in Article 9 and Article 10.
- (3) In the case of the age of mining belonging to companies being less than 5 (five) years, the reclamation guarantee shall be stipulated in accordance with the reclamation plan for the age of the mining.
- (4) The reclamation guarantee as meant in paragraph (2) and paragraph (3) may be placed every year.

Article 25

The Minister, governors or regents/mayors in accordance with the respective scopes of authority may order a change in the amount of reclamation guarantee if:

- a. companies change the reclamation plan as meant in Article 10; or
- b. the operational cost of reclamation is not in accordance with the reclamation plan.

Article 26

- (1) Companies may submit a change in the model of the reclamation guarantee as meant in Article 20 to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (2) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the change in model of the reclamation guarantee as meant in paragraph (1) on the basis of the following considerations:
 - a. corporate performance; and/or
 - b. financial capability of the company.

Article 27

The Minister, governors or regents/mayors in accordance with the respective scopes of authority may stipulate a change in the model of the approved reclamation guarantee in the case of:

- a. the company changing in shareholders; or
- b. the corporate performance decreasing.

Article 28

- (1) The placement of reclamation guarantee shall not eliminate the obligation of the company to execute reclamation.
- (2) The shortage of funds required to complete reclamation from the stipulated guarantee shall continue to become responsibility of the company.

Part Three

Procedures for Disbursing and Releasing Reclamation

Guarantee

Article 29

- (1) Companies may submit application for disbursing reclamation guarantee in the form of time deposit and interest thereof to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (2) The application for disbursing the reclamation guarantee as meant in paragraph (1) shall be accompanied by report on the implementation of reclamation as meant in Article 16.
- (3) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement of the reclamation guarantee as meant in paragraph (1) in not later than 30 (thirty) working days after the application is received.

Article 30

- (1) Companies may submit application for releasing reclamation guarantee in the form of bank guarantee, insurance or accounting reserve to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (2) The application for releasing the reclamation guarantee as meant in paragraph (1) shall be accompanied by report on the implementation of reclamation as meant in Article 16.
- (3) The application for releasing reclamation guarantee as meant in paragraph (2) shall be submitted to the Minister, governors or regents/mayors in accordance with the respective scopes of authority in not later than 30 (thirty) days before the validity period of guaranty expires.

- (4) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the release of reclamation guarantee as meant in paragraph (1) in not later than 30 (thirty) working days after the application is received.

Article 31

After receiving the application for disbursing reclamation guarantee as meant in Article 29 or releasing reclamation guarantee as meant in Article 30, the Minister, governors or regents/mayors in accordance with the respective scopes of authority shall evaluate to determine the amount of the disbursed or released reclamation guarantee with the provision as follows:

- a. 60% (sixty percent) of the amount of reclamation guarantee if the company has completed land arrangement in accordance with the designation as stipulated in the approved reclamation plan.
- b. 80 % (sixty percent) of the amount of reclamation guarantee if the company has completed the activity as meant in letter a and the following works:
 1. re-vegetation
 2. prevention and settlement of mining acid water;
 3. civil engineering; and/or
 4. other reclamation activities as stipulated in the approved reclamation plan.
- c. 100% (one hundred percent) of the amount of reclamation guarantee after the reclamation activity fulfills the success criteria for reclamation as contained in Attachment V to this regulation.

Article 32

- (1) Before approving the disbursement of the reclamation guarantee as meant in Article 29 or the release of reclamation guarantee as meant in Article 30, the Minister, governors or regents/mayors in accordance with the respective scopes of authority may conduct site visit.
- (2) If necessary, the site visit as meant in paragraph (1) shall be done in not later than 15 (fifteen) working days after the application for disbursing or releasing reclamation guarantee submitted by the company is received.
- (3) Result of the site visit shall be written down in an account containing evaluation of the success of reclamation of land affected by mining activity.

Article 33

- (1) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement or release of reclamation guarantee on the basis of result of evaluation of report on the implementation of reclamation as meant in Article 16 and/or result of evaluation of site visit as meant in Article 32 paragraph (3).
- (2) Evaluation of the report and/or site visit as meant in paragraph (1) shall be done on the basis of the success criteria for reclamation as meant in Attachment V to this regulation.
- (3) Based on the result of evaluation and/or site evaluation as meant in paragraph (1) and (2), the Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement or release of reclamation guarantee in accordance with the provision as meant in Article 31.

Article 34

In the case of company failing to comply with the success criteria for reclamation on the basis of evaluation of report and/or site evaluation, the Minister, governors or regents/mayors in accordance with the respective scopes of authority may appoint the third party to undertake reclamation by using the reclamation guarantee.

Part Four

Guarantee for Mining Closure

Article 35

- (1) The guarantee for mining closure as meant in Article 21 shall cover the whole costs of work of mining closure.
- (2) The operational cost of work of mining closure as meant in paragraph (1) shall count the execution or work of mining closure realized by the third party.
- (3) The guarantee for mining closure may be placed in the Rupiah or US Dollar.
- (4) The amount of the guarantee for mining closure as meant in paragraph (1) shall be counted on the basis of the following costs:
 - a. Direct cost, among others:
 1. removal of building and supporting facility which have not been used, unless otherwise stipulated;
 2. reclamation of mining site, processing and purification as well as supporting facilities;
 3. treatment of dangerous and poisonous materials (B3) and waste of B3;
 4. maintenance and preservation;
 5. monitoring; and
 6. social, cultural and economic aspects.

b. Indirect

b. Indirect costs, among others:

1. mobilization and demobilization;
2. planning of activity;
3. administration and profit of the third party as contractor executing mining closure; and
4. supervision as contained in Attachment II to this regulation.

(5) The amount of guarantee for mining closure as meant in paragraph (4) shall be stipulated on the basis of costs of mining closure in accordance with the mining closure plan already approved by the Minister, governor or regent/mayor as meant in Article 11 and Article 12.

(6) Guarantee for mining closure shall be placed every year in the form of time deposit.

(7) Procedures for placing the guarantee for mining closure as meant in paragraph (6) shall be as contained in Attachment VI to this regulation.

Article 36

The Minister, governors or regents/mayors in accordance with the respective scopes of authority may stipulate the addition to the guarantee for mining closure on the basis of the following considerations:

- a. any change in shareholder of the company;
- b. progress of work of mining closure; and
- b. any change in cost of mining closure.

Article 37

(1) The placed time deposit as meant in Article 21 shall apply until the Minister, governors or regents/mayors in accordance with the respective scopes of authority declare that whole activities of mining closure as stipulated in the mining closure plan have been completed.

(2) The disbursement of time deposit and interest thereof shall be done after the implementation of mining closure is in accordance with the phase of completion of work already executed on the basis of the approved mining closure plan as meant in Article 11 and 12, which has been received by the Minister, governors or regents/mayors in accordance with the respective scopes of authority

Article 38

(1) The placement of mining closure guarantee shall not eliminate the obligation of the company to undertake activities of mining closure.

(2) The shortage of costs required to complete the mining closure activity from the stipulated guarantee shall continue become responsibility of the company.

Part Five

Procedures for Disbursing Mining Closure Guarantee

Article 39

(1) Company may submit application for disbursing the mining closure guarantee and interest thereof in phases or lump sum to the Minister, governors or regents/mayors in accordance with the respective scopes of authority.

(2) The application for disbursing the mining closure guarantee as meant in paragraph (1) shall be accompanied by report on the implementation of the mining closure activities as meant in Article 18.

(3) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement of the mining closure guarantee as meant in paragraph (1) and paragraph (2) in not later than 30 (thirty) working days after the date of receipt of the application.

Article 40

The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement of the mining closure guarantee as meant in Article 39 if the mining closure work has been completed.

Article 41

- (1) Before approving the disbursement of the mining closure guarantee as meant in Article 23, the Minister, governors or regents/mayors in accordance with the respective scopes of authority may conduct site visit.
- (2) If necessary, the site visit as meant in paragraph (1) shall be done in not later than 15 (fifteen) working days after the application for disbursing the mining closure guarantee submitted by the company is received.
- (3) Result of the site visit shall be written down in an account containing evaluation of the success of mining closure.

Article 42

- (1) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement of the mining closure guarantee on the basis of result of evaluation of report on the implementation of mining closure as meant in Article 18 and/or result of evaluation of site visit as meant in Article 41 paragraph (3).
- (2) Evaluation of the report and/or site visit as meant in paragraph (1) shall be done on the basis of the success criteria for mining closure as meant in Attachment VII to this regulation.

- (3) Based on the result of evaluation and/or site evaluation as meant in paragraph (1) and (2), the Minister, governors or regents/mayors in accordance with the respective scopes of authority shall approve the disbursement of the mining closure guarantee in accordance with the provision as meant in Article 39.

Article 43

In the case of company failing to comply with the success criteria for mining closure on the basis of evaluation of report and/or site evaluation, the Minister, governors or regents/mayors in accordance with the respective scopes of authority may appoint the third party to undertake reclamation by using the mining closure guarantee.

CHAPTER VII

SUPERVISION

Article 44

- (1) Supervision over the implementation of reclamation and mining closure shall be done by , the Minister, governors or regents/mayors in accordance with the respective scopes of authority.
- (2) In order to execute the supervisory task as meant in paragraph (1), the Minister, governors or regents/mayors in accordance with the respective scopes of authority shall assign mining inspector functionary.

CHAPTER VIII

ADMINISTRATIVE SANCTION

Article 45

- (1) The Minister, governors or regents/mayors in accordance with the respective scopes of authority shall impose administrative sanction on companies violating the provisions as meant in Article 6 paragraph (1), Article 7 paragraph (4) and paragraph (5), Article 8 paragraph (3), Article 10 paragraph (1), Article 12 paragraph (1), Article 13, Article 14, Article 15 paragraph (4), Article 16 paragraph (1), Article 17, Article 18 paragraph (1), Article 19 paragraph (1), Article 20 paragraph (3), Article 21, and Article 24 paragraph (1).
- (2) The administrative sanction as meant in paragraph (1) may be in the form of:
- a. written warning;
 - b. suspension of mining activities partly or wholly; and/or
 - c. revocation of license.

Article 46

- (1) The written warning shall be issued if companies violate the provision as meant in Article 45 paragraph (1).
- (2) The written warning as meant in paragraph (1) shall be issued three times maximally with the time interval one month respectively.

Article 47

If companies already receiving the written warning as meant in Article 46 continue to repeat the violation, the Minister, governors or regents/mayors in accordance with the respective scopes of authority shall suspend mining activities partly or wholly.

Article 48

The Minister, governors or regents/mayors in accordance with the respective scopes of authority may revoke license or terminate joint cooperation contract of mining business unless the companies already given written warning and subject to suspension of activities partly or wholly as meant in Article 46 and 47 in not longer than 3 (three) months as from the date of stipulation of suspension of activities partly or wholly improve the mistake or fulfill the stipulated requirements.

CHAPTER IX

TRANSITIONAL PROVISION

Article 49

- (1) The mining reclamation plans and/or mining closure plans already approved by the Minister, governors or regents/mayors in accordance with the respective scopes of authority before the enforcement of this regulation shall be declared to remain effective until the validity period thereof expires.
- (2) The mining reclamation plans and/or mining closure plans submitted by companies before this regulation comes into force shall be adjusted and processed in accordance with the provisions in this regulation.

Article 50

Companies already placing reclamation guarantee and/or mining closure guarantee before this regulation comes into force shall be declared already complying with the provisions in this regulation as long as the placement is in accordance with the provisions in this regulation.

Article 51

- (1) Companies not yet conveying reclamation plan and/or mining closure plan before the enforcement of this regulation shall be obliged to convey reclamation plan and mining closure plan in accordance with the provision in this regulation.
- (2) The reclamation plan as meant in paragraph (1) shall be conveyed in not later than 6 (six) months as from the date of enforcement of this regulation.
- (3) The mining closure plan as meant in paragraph (1) shall be conveyed in not later than one year as from the date of enforcement of this regulation.
- (4) Procedures for evaluating and approving the reclamation plan and/or mining closure plan as meant in paragraph (1), including the change in the reclamation plan and/or mining closure plan shall be in accordance with the provisions in this regulation.

Article 52

In the case of provincial governments or regental/municipal governments not yet having mining inspector functionary, supervision over the implementation of mining reclamation and closure may be executed by mining inspector.

CHAPTER X

CONCLUSION

Article 53

Following the enforcement of this regulation:

- a. Decree of the Minister of Mining and Energy Number 1211.K/008/M.PE/1995 Year 1995 dated July 17, 1995 on Prevention and Mitigation of Environmental Destruction and Pollution in General Mining Activities; and
- b. Decree of the Minister of Mining and Energy Number 1453.K/29/MEM/2000 Year 2000 dated November 3, 2000 on Technical Guidelines on the Execution of Public Administration Tasks in the General Mining Field, related to provisions on mining reclamation and closure shall be revoked and declared null and void.

Article 54

This regulation shall come into force as from the date of stipulation.

Stipulated in Jakarta

On May 29, 2008

THE MINISTER OF ENERGY AND MINERAL RESOURCES,

sgd.

PURNOMO YUSGIANTORO

Editor's note:

- Due to technical reason, the attachments are not published.

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