Reclamation and Post-Mining
(R.I. Government Regulation No. 78 Year 2010, dated December 20, 2010)

With the blessing of the one and only God
President of the Republic of Indonesia

Considering:
That in order to exercise provisions of Article 101 of Law No. 4 Year 2009 concerning Coal and Mineral Mining, it is necessary to stipulate a Government Regulation concerning Reclamation and Post-mining;

In view of:
1. Article 5 paragraph (2) of the 1945 State Constitution of the Republic of Indonesia (BN No. 7137 page 18);
2. Law No. 4 Year 2009 (BN No. 7765 pgs 7B-21B etc) concerning Coal and Mineral Mining (State Gazette of the Republic of Indonesia Year 2009 No. 4, Supplement to State Gazette of the Republic of Indonesia No. 4959);

Decides:

To stipulate:
GOVERNMENT REGULATION CONCERNING RECLAMATION AND POST-MINING.

CHAPTER I
GENERAL PROVISIONS

Article 1
In this Government Regulation what is meant by:

1. Mining, Mineral, Coal, Mineral Mining, Coal Mining, Mining Business, Mining Business Permit hereinafter referred to IUP (Izin Usaha Pertambangan), Special Mining Business Permit, hereinafter referred to IUPK (Izin Usaha Pertambangan Khusus), Mining Exploration Business Permit, hereinafter referred to Exploration IUP, Mining Production Operations Business Permit, hereinafter referred to Production Operations IUP, Special Mining Exploration Business Permit, hereinafter referred to Exploration IUPK, Mining Production Operations Business Permit, hereinafter referred to Production Operations IUPK, Exploration, Feasibility Study, Production Operations, Mining, Processing and Purification, Reclamation, Post-mining Activities, hereinafter referred to Post-mining, are as meant in Law No. 4 Year 2009 on Coal and Mineral Mining.

2. Minister is the Minister exercising government affairs in the aspect of coal and mineral mining.

CHAPTER II
PRINCIPLES OF RECLAMATION AND POST-MINING

Article 2
(1) Holders of Exploration IUP and Exploration IUPK are obligated to perform reclamation.
Holders of Production Operations IUP and Production Operations IUPK are obligated to perform reclamation and post-mining.

Reclamation referred to in paragraph (1) shall be performed on terrain disturbed by exploration activities.

Reclamation and post-mining referred to in paragraph (2) shall be performed on terrain disturbed by mining activities with the following system and method:

a. Open mining; and
b. Underground mining.

Article 3

(1) Performance of reclamation by Holders of Exploration IUP and Exploration IUPK are obligated to fulfill the principles of:

a. protection and management of mining living environment; and
b. work safety and health.

(2) Performance of reclamation and post-mining by Holders of Production Operations IUP and Production Operations IUPK are obligated to fulfill the principles of:

a. protection and management of mining living environment;
b. work safety and health; and
c. conservation of mineral and coal.

Article 4

(1) Principles of the protection and management of mining living environments referred to in Article 3 paragraph (1) letter a and paragraph (2) letter a, shall at a minimum cover:

a. protection of the quality of surface water, ground water, sea water, and land and the air based on standard quality or standard criteria of damages to the living environment in accordance with provisions of statutory regulations;
b. protection and recovery of bio-variety;
c. guarantee on the stability and safety of closing rock piles, tailing pools, former mine areas, and other man-made structures;
d. utilization of former mine areas in accordance with their allotment;
e. observing local social and culture values; and
f. protection of the quantity of ground water in accordance with provisions of statutory regulations.

(2) Principles of work safety and health referred to in Article 3 paragraph (1) letter b and paragraph (2) letter b, cover:

a. protection of the safety of every worker/labor; and
b. protection of every worker/labor from work related disease.

(3) Principles of conservation of mineral and coal referred to in Article 3 paragraph (2) letter c, cover:

a. Optimum mining;
b. use of an effective and efficient processing and purification method and technology; and
c. management and/or utilization of marginal reserve, low value mineral, tailing mineral and low quality coal; and
d. taking data of resources and mineral and coal reserve not mined and processing and purification remains.

(4) In the event tailing mineral from remains of mining, processing and purification referred to in paragraph (3) letter a, letter b, and letter c contain radioactive matters, it is obligatory to analyze the safety of radiation for tenorm and to execute intervention on the exposure of radiation from the tenorm in accordance with provisions of statutory regulations.

CHAPTER III
RECLAMATION AND POST-MINING MECHANISM

Part One
General

Article 5

(1) Before carrying out exploration activities, holders of Exploration IUP and Exploration IUPK are obligated to compile reclamation plans based on documents of the living environment in accordance with provisions of statutory regulations in the aspect of protection and management of the living environment.

(2) The reclamation plan referred to in paragraph (1) shall be set forth in Exploration Work Plan and Budget.

Article 6

(1) Holders of Exploration IUP and Exploration IUPK who had completed feasibility study activities shall submit application for approval of the reclamation plan and post-mining plan to the Minister, Governor, or Regent/Mayor in accordance with their authority.

(2) The reclamation plan and post-mining plan referred to in paragraph (1) shall be submitted concurrently with the submission of application for Production Operations IUP and Production Operations IUPK.

(3) The reclamation plan and post-mining plan referred to in paragraph (1) shall be compiled based on living environment documents having been approved by the agency having the authority in the aspect of protection and management of the living environment in accordance with provisions of statutory regulations.

(4) The reclamation plan and post-mining plan referred to in paragraph (3) shall be in accordance with:

a. the principles referred to in Article 3;

b. mining system and methods based on feasibility study;

c. area specific condition of Mining Business Permit; and

d. provisions of statutory regulations.

Part Two
Reclamation Plan

Article 7

(1) The reclamation plan referred to in Article 6 shall be compiled for a period of five (5) years.

(2) The reclamation plan referred to in paragraph (1) shall contain reclamation plans for each year.
(3) In the event the age of a mine is less than five (5) years, the reclamation plan referred to in para­
graph (1) shall be compiled in accordance with the mine’s age.

(4) Reclamation plans referred to in paragraph (1), paragraph (2), and paragraph (3) shall at a mini­
mum contain:
   a. land use before and after mining;
   b. plans on the opening of land;
   c. reclamation program on disturbed land covering former mine areas and land outside of former mine areas that are temporary and/or permanent in nature;
   d. criteria of success covers standard of successful land arrangement, re-vegetation, civil works, and finalization; and
   e. plans on reclamation expenses consist of direct costs and indirect costs.

(5) Land outside of former mine areas referred to in paragraph (4) letter c cover:
   a. piling place of closing soil;
   b. temporary piling up places and piling place for mine material;
   c. roads;
   d. processing and purification factory/installation;
   e. buildings/installation of supporting means;
   f. office and housing;
   g. special harbor; and/or
   h. land for the piling up and/or sedimentation of tailing

Article 8

In the event reclamation is in a forest zone, coastal area, and small islands, reclamation planning shall be made in accordance with provisions of statutory regulations.

Article 9

Further provisions on compilation of reclamation plan shall be regulated with a Minister Regula­tion.

Part Three

Post-mining Plan

Article 10

Post-mining plan referred to in Article 6 contains:
   a. area profile covering location and access to the area, ownership and allotment of land, initial color of the environment, and other business activities around the mine;
   b. description of mining activities, covering condition of initial reserve, mining, processing and purification system and method, and supporting facilities;
   c. final color of post-mining land environment, covering condition of remaining reserve, allotment of land, morphology, surface water and ground water, and aquatic and terrestrial biology;
   d. post-mining program covering:
      1. reclamation of former mine area and land outside of former mine area;
      2. maintenance of reclamation products;
      3. development and utilization of the community; and
      4. monitoring.
e. Organization including schedule of post-mining performance;
f. criteria of successful post-mining; and
g. post-mining budget plan covers direct costs and indirect costs.

Article 11
Holders of Exploration IUP and Exploration IUPK in the compilation of post-mining plans shall consult with Government agency, provincial government and/or regency/city government agencies in charge of coal and mineral mining, other related agencies, and the community.

Article 12
Further provisions on procedure for the compilation of plans and criteria of successful post-mining shall be regulated with a Minister Regulation.

CHAPTER IV
APPROVAL OF RECLAMATION PLAN AND POST MINING PLAN
Part One
Approval of Reclamation Plan
Article 13
(1) In accordance with their authority, the Minister, Governor, or Regent/Mayor shall provide approval on reclamation plans that had met the provisions referred to in Article 6, Article 7, and Article 8 within a period of a maximum of 30 (thirty) calendar days from the date of issue of Production Operations IUP or Production Operations IUPK.

(2) In the event a reclamation plan has not yet met the provisions referred to in Article 6, Article 7, and Article 8, the Minister, Governor, or Regent/Mayor according to their authority shall return the reclamation plan to the holder of Production Operations IUP or Production Operations IUPK.

(3) The holder of the Production Operations IUP or Production Operations IUPK shall re-submit the perfected reclamation plan referred to in paragraph (2) within a period of a maximum of 30 (thirty) calendar days to the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 14
(1) A Holder of Production Operations IUP or Production Operations IUPK is obligated to make changes to a reclamation plan that had been approved as meant in Article 13 if there are changes of:
a. mining system and method that had been approved;
b. production capacity;
c. mine’s age;
d. land use; and/or
e. living environment documents that had been approved by the agency having the authority in the aspect of protection and management of the living environment in accordance with provisions of statutory regulations.

(2) Changes to the reclamation plan referred to in paragraph (1) shall be submitted within a period of a maximum of 180 (one hundred and eighty) calendar days before the next reclamation year to...
the Minister, Governor, or Regent/Mayor in accordance with their authority.

(3) The Minister, Governor, or Regent/Mayor in accordance with their authority shall provide approval on changes of reclamation plans that had met the provisions referred to in Article 6, Article 7, and Article 8 within a period of a maximum of 30 (thirty) calendar days from receiving a proposal of change of a reclamation plan.

(4) In the event a change to a reclamation plan has not yet met the provisions referred to in Article 6, Article 7, and Article 8, the Minister, Governor, or Regent/Mayor in accordance with their authority shall return the proposal for the change of reclamation plan to the holder of Production Operations IUP or Production Operations IUPK.

(5) The holder of Production Operations IUP or Production Operations IUPK shall re-submit the proposal for the change of the reclamation plan that had been corrected within a period of a maximum of 30 (thirty) calendar days to the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 15

Further provisions on procedure to provide approval for reclamation plans shall be regulated with a Minister Regulation.

Part Two

Approval of Post-mining Plan

Article 16

(1) The Minister, Governor, or Regent/Mayor in accordance with their authority shall provide approval on post-mining plans that had met the provisions referred to in Article 6, Article 10, and Article 11 within a period of a maximum of 60 (sixty) calendar days from the date of issue of Production Operations IUP or Production Operations IUPK.

(2) In the event a post-mining plan has not yet met the provisions referred to in Article 6, Article 10, and Article 11, the Minister, Governor, or Regent/Mayor in accordance with their authority shall return the post-mining plan to the holder of Production Operations IUP or Production Operations IUPK.

(3) The holder of Production Operations IUP or Production Operations IUPK shall re-submit the post-mining plan referred to in paragraph (2) that had been corrected within a period of a maximum of 30 (thirty) calendar days to the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 17

(1) Holders of Production Operations IUP or Production Operations IUPK have the obligation to make a change to a post-mining plan if there is a change of the reclamation plan referred to in Article 14.

(2) Changes to the post-mining plan referred to in paragraph (1) shall be submitted to the Minister, Governor, or Regent/Mayor in accordance with their authority.

(3) The Minister, Governor, or Regent/Mayor in accordance with their authority shall grant approval on the change of post-mining plan that had met
the provisions referred to in Article 6, Article 10, and Article 11 within a period of a maximum of 90 (ninety) calendar days from the date of receiving a proposal for a change of a post-mining plan.

(4) Amendment to the post mining plan referred to in paragraph (1) may only be made within a period of two (2) years at the latest before the end of mining activities.

Article 18
Further provisions on procedure for the provision of approval for post-mining plans shall be regulated with a Minister Regulation.

CHAPTER V
PERFORMANCE AND REPORTING

Part One
Reclamation of Exploration Phase
Article 19
(1) Performance of reclamation on land disturbed by exploration activities shall be carried out on land not used in production operations phase.

(2) Land disturbed by exploration activities referred to in paragraph (1) covers drilling holes, testing wells, testing trench/ditch, and/or supporting means.

(3) Performance of reclamation referred to in paragraph (1) shall be carried out until it meets the criteria as being successful.

Part Two
Reclamation and Post-mining of Production Operations Phase
Article 20
(1) Holders of Production Operations IUP and Production Operations IUPK are obligated to perform reclamation and post-mining in accordance with reclamation plans and post-mining plans until it meets the criteria as being successful.

(2) In the performance of reclamation and post-mining referred to in paragraph (1), holders of Production Operations IUP and Production Operations IUPK shall appoint officials responsible on the performance of reclamation and post-mining.

Article 21
Performance of the reclamation referred to in Article 19 and Article 20 must be carried out within 30 (thirty) calendar days at the latest after there are no more mining business activities on the disturbed land.

Part Three
Reporting and Performance of Reclamation and Post mining
Article 22
(1) Holders of Production Operations IUP and Production Operations IUPK are obligated to submit performance report on reclamation activities every year to the Minister, Governor, or Regent/Mayor in accordance with their authority.

(2) In accordance with their authority, the Minister, Governor, or Regent/Mayor shall perform evaluation on reclamation performance report referred to in paragraph (1) within the period of a maximum of 30 (thirty) calendar days after the receipt of a report.

Article 23
Based on product of the evaluation referred to
in Article 27 paragraph (2), the Minister, Governor, or Regent/Mayor in accordance with their authority shall notify the level of reclamation success in writing to the holders of Production Operations IUP and Production Operations IUPK.

Article 24

In the event reclamation is in a forest zone, coastal area, and small islands, the evaluation of successful reclamation shall be made in accordance with provisions of statutory regulations.

Article 25

(1) Holders of Production Operations IUP and Production Operations IUPK are obligated to perform post-mining after a part or all of mining business activities expired.

(2) In the event all mining business activities ended before the period stipulated in a post-mining plan, the holder of Production Operations IUP and Production Operations IUPK is obligated to perform post-mining.

(3) Post-mining referred to in paragraph (1) and paragraph (2) must be carried out within a period of a maximum of 30 (thirty) calendar days after a part or all of the mining business activities ended.

Article 26

(1) Holders of Production Operations IUP and Production Operations IUPK are obligated to submit performance report of post-mining every three (3) months to the Minister, Governor, or Regent/Mayor in accordance with their authority.

(2) In accordance with their authority, the Minister, Governor, or Regent/Mayor shall make evaluation on the performance report of post-mining referred to in paragraph (1) within a period of a maximum of 30 (thirty) calendar days from the receipt of the report.

Article 27

Based on product of the evaluation referred to in Article 26 paragraph (2), the Minister, Governor, or Regent/Mayor in accordance with their authority, shall notify the level of post-mining success in writing to the holder of Production Operations IUP and Production Operations IUPK.

Article 28

Further provisions on procedure for reporting and evaluation of reclamation and post-mining shall be regulated with a Minister Regulation.

CHAPTER VI

RECLAMATION AND POST-MINING GUARANTEE

Part One

General

Article 29

(1) Holders of IUP and IUPK are obligated to provide:

a. reclamation guarantee; and

b. Post-mining guarantee.
(2) Reclamation guarantee referred to in paragraph (1) letter a consist of:
   a. reclamation guarantee for Exploration phase;
   and
   b. reclamation guarantee for Production Operations phase.

Part Two
Reclamation Guarantee
Article 30
(1) Exploration phase reclamation guarantee referred to in Article 29 paragraph (2) letter a is stipulated pursuant to the reclamation plan compiled based on living environment documents and set forth in Exploration Work Plan and Budget.

(2) The reclamation guarantee referred to in paragraph (1) shall be deposited in a government bank in the form of time deposit.

(3) Placement of the reclamation guarantee referred to in paragraph (2) shall be made within a period of a maximum of 30 (thirty) calendar days from the date the exploration Work Plan and Budget was approved by the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 31
(1) Production Operations phase reclamation guarantee referred to in Article 29 paragraph (2) letter b is stipulated pursuant to the reclamation plan.

(2) The reclamation guarantee referred to in paragraph (1) can be in the form of:
   a. joint account in a government bank;
   b. time deposit in a government bank;
   c. bank guarantee in a government bank or national private bank; or
   d. accounting reserve.

(3) Placement of the reclamation guarantee referred to in paragraph (1) shall be made within a period of a maximum of 30 (thirty) calendar days from the date the reclamation plan is approved by the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 32
Placement of reclamation guarantee does not eliminate the obligation of the holder of IUP and IUPK to perform reclamation.

Article 33
If based on product of evaluation on performance report of reclamation shows that the performance of reclamation does not meet the criteria as being successful, the Minister, Governor, or Regent/Mayor in accordance with their authority may stipulate a third party to perform a part or all reclamation activities by using the reclamation guarantee.

Article 34
(1) In the event reclamation guarantee can not cover the completion of reclamation, shortage of fund for the completion of reclamation is the responsibility of the IUP or IUPK holder.

(2) In the event there is an overpayment of guarantee from the fund required for the completion of reclamation, the overpaid fund may be liquidated by
the IUP or IUPK holder after receiving an approval from the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 35
Holders of IUP or IUPK may submit application for the liquidation or release of reclamation guarantee to the Minister, Governor, or Regent/Mayor in accordance with their authority based on reclamation level of success.

Article 36
Further provisions on reclamation guarantee shall be regulated with a Minister Regulation.

Part Three
Post-mining Guarantee

Article 37
(1) Post-mining guarantee referred to in Article 29 paragraph (1) letter b shall be stipulated in accordance with post-mining plan.

(2) The post-mining guarantee referred to in paragraph (1) shall be deposited each year in the form of time deposit in a government bank.

(3) Placement of the post-mining guarantee referred to in paragraph (2) shall be made within a period of a maximum of 30 (thirty) calendar days from the date the post-mining plan is approved by the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 38
Placement of post-mining guarantee does not eliminate the obligation of a holder of Production Operations IUP and Production Operations IUPK to perform post-mining.

Article 39
If an evaluation of the performance of post-mining shows that post-mining activities did not meet the criteria as successful, the Minister, Governor, or Regent/Mayor in accordance with their authority may stipulate a third party to carry out a part or all of the post-mining activities by using post-mining guarantee.

Article 40
In the event post-mining guarantee can not cover the completion of post-mining, shortage of fund for the completion of post-mining shall be the responsibility of the holder of Production Operations IUP or Production Operations IUPK.

Article 41
In the event mining business activities ended before the period stipulated in a post mining plan, the holder of Production Operations IUP or Production Operations IUPK is obligated to provide post-mining guarantee in accordance with the stipulated amount.

Article 42
Holders of Production Operations IUP and Production Operations IUPK may submit application for the liquidation of post-mining guarantee to the Minister, Governor, or Regent/Mayor in accordance
Article 43
Further provisions on post-mining guarantee shall be regulated with a Minister Regulation.

CHAPTER VII
RECLAMATION AND POST-MINING ACTIVITIES FOR IPR HOLDERS

Article 44
(1) Prior to issuing IPR on people mining areas, regency/city governments shall compile reclamation plan and post-mining plan for each people mining areas.

(2) The reclamation plan and post-mining plan referred to in paragraph (1) shall be compiled based on living environment documents that was approved by the agency having the authority in accordance with provisions of statutory regulations in the aspect of protection and management of the living environment.

Article 45
(1) The Regent/Mayor stipulates reclamation plans and post-mining plans referred to in Article 44 for IPR holders.

(2) IPR holders and the Regent/Mayor are obligated to carry out reclamation and post-mining in accordance with the reclamation plan and post-mining plan referred to in paragraph (1).

Article 46
Further provisions on reclamation and post-mining in people mining areas shall be regulated with a regency/city regional regulation guided by this Government Regulation.

CHAPTER VIII
RETURN OF RECLAIMED LAND AND POST-MINING LAND

Article 47
(1) Holders of IUP and IUPK have the obligation to return reclaimed land to the rightful party in accordance with statutory regulations through the Minister, Governor, or Regent/Mayor in accordance with their authority.

(2) Holders of IUP and IUPK are entitled to submit application to postpone the return of land referred to in paragraph (1) either a part or all of it to the Minister, Governor, or Regent/Mayor in accordance with their authority if the reclaimed land is still required for mining.

Article 48
Holders of Production Operations IUP and Production Operations IUPK that had completed post-mining have the obligation to return post-mining land to the rightful party pursuant to statutory regulations through the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 49
Further provisions on procedure to return reclaimed land and land that had been completed as
of its post-mining activities shall be regulated with a Minister Regulation.

CHAPTER IX
ADMINISTRATIVE SANCTIONS

Article 50
(1) Holders of IUP, IUPK, or IPR violating provisions referred to in Article 2 paragraph (1) or paragraph (2), Article 3 paragraph (1) or paragraph (2), Article 4 paragraph (4), Article 5 paragraph (1), Article 14 paragraph (1), Article 17 paragraph (1), Article 20 paragraph (1), Article 21, Article 22 paragraph (1), Article 25 paragraph (1), paragraph (2), or paragraph (3), Article 26 paragraph (1), Article 29 paragraph (1), Article 41, Article 45 paragraph (2), Article 47 paragraph (1), or Article 48 shall be imposed to an administrative sanction.

(2) The administrative sanction referred to in paragraph (1) can be in the form of:
   a. written warning;
   b. temporary cessation of activities; and/or
   c. revocation of IUP, IUPK, or IPR.

(3) Holders of IUP, IUPK, or IPR imposed to administrative sanction in the form of revocation of IUP, IUPK, or IPR as meant in paragraph (2) letter c, are not eliminated as of their obligations to perform reclamation and post-mining activities.

(4) The administrative sanctions referred to in paragraph (1) will be imposed by the Minister, Governor, or Regent/Mayor in accordance with their authority.

Article 51
(1) Further provisions on procedure for the imposing of administrative sanction to holders of IUP and IUPK as meant in Article 50 shall be regulated with a Minister Regulation.

(2) Further provisions on procedure for the imposing of administrative sanctions to IPR holders as meant in Article 50 shall be regulated with a regency/city regional regulation.

CHAPTER X
TRANSITIONAL PROVISIONS

Article 52
Reclamation plans and/or post-mining plans submitted by holders of Work Contract, Coal Mining Exploitation Work Agreement (Karya Pengusahaan), and holders of IUP that had received approval from the Minister, Governor, or Regent/Mayor in accordance with their authority before this Government Regulation comes to effect, is declared to be still applicable, and it is obligatory to adjust the reclamation plans and/or post-mining plans pursuant to provisions of this Government Regulation within a period of a maximum of three (3) months from the date this Government Regulation comes to effect.

Article 53
(1) Holders of Work Contract, Coal Mining Exploitation Work Agreement, and holders of Exploration IUP not yet depositing reclamation guarantee before this Government Regulation comes to effect,
are obligated to deposit the reclamation guarantee in accordance with provisions of this Government Regulation within a period of a maximum of three (3) months from the date this Government Regulation comes to effect.

(2) Holders of Work Contract, Coal Mining Exploitation Work Agreement, and holders of Production Operations IUP not yet depositing reclamation guarantee and post-mining guarantee in accordance with provisions of this Government Regulation, are obligated to deposit reclamation guarantee and post-mining guarantee within a period of a maximum of three (3) months from the date this Government Regulation comes to effect.

CHAPTER XI
CLOSING PROVISIONS
Article 54
This Government Regulation commences to come to effect from the date of enactment.

For public cognizance, this Government Regulation shall be announced in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta on December 20, 2010

PRESIDENT OF THE REPUBLIC OF INDONESIA,
sgd.
DR. H. SUSILO BAMBANG YUDHOYONO
Enacted in Jakarta on December 20, 2010
MINISTER OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,
sgd.
PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA
YEAR 2010 NUMBER 138

(D)