

**AMENDMENT TO GOVERNMENT REGULATION NUMBER 59 YEAR 2007  
CONCERNING GEOTHERMAL BUSINESS ACTIVITY**

(Government Regulation of RI Number 70 Year 2010, dated October 20, 2010)

**WITH THE BLESSING OF THE ONE AND ONLY GOD  
PRESIDENT OF THE REPUBLIC OF INDONESIA,**

Considering:

- a. that the need for electric power supply tends to increase so that it is necessary to improve electric power supply;
- b. that geothermal energy is one of the energy resources that may be used for electric power supply so as to give more extensive chance to business entity operating in geothermal business activity for electric power supply;
- c. that the provision concerning period for relinquishment of work area referred to in Article 86 of Government Regulation Number 59 Year 2007 concerning Geothermal Business Activity still lacks sufficient time to business entity operating in geothermal business activity to conduct exploitation activity so that the term granted needs to be extended;
- d. that based on the consideration referred to in letter a, letter b, dan letter c, it is necessary to stipulate Government Regulation on Amendment to Government Regulation Number 59 Year 2007 concerning Geothermal Business Activity;

In view of:

1. Article 5 paragraph (2) of the 1945 Constitution of the State of Republic of Indonesia Year 1945 (BN No. 7137 pgs 1B);
2. Law Number 27 Year 2003 (BN No. 7005 pgs 8B-14B) concerning Geothermal (Statute Book of the Republic of Indonesia Year 2003 Number 115, Supplement to Statute Book Republic of Indonesia Number 4327);
3. Government Regulation Number 59 Year 2007 (BN No. 7621 pgs 15B-20B and so forth) concerning Geothermal Business Activity (Statute Book Republic of Indonesia Year 2007 Number 132, Supplement to Statute Book Republic of Indonesia Number 4777);

**DECIDES:**

To stipulate:

**GOVERNMENT REGULATION ON AMENDMENT TO GOVERNMENT REGULATION NUMBER 59 YEAR 2007 CONCERNING GEOTHERMAL BUSINESS ACTIVITY.**

**Article I**

The provision in Article 86 of Government Regulation of Number 59 Year 2007 concerning Geothermal Business Activity (Statute Book Republic

of Indonesia Year 2007 Number 132, Supplement to Statute Book Republic of Indonesia Number 4777), as been amended as follows:

**Article 86**

If the holder of authority, permit, and/or contract referred to in Article 85 conducts no exploitation activity yet in its work area up to December 31, 2014, the holder of authority, permit and/or contract shall be obliged to relinquish the work area to the Government"

**Article II**

This Government Regulation takes effect on the date it is enacted.

For public cognizance, this Government Regulation shall be announced by placing it in the Statute Book Republic of Indonesia.

Stipulated in Jakarta

On October 20, 2010

**PRESIDENT OF THE REPUBLIC OF INDONESIA,**

sgd.

**DR. H. SUSILO BAMBANG YUDHOYONO**

Enacted in Jakarta

On October 20, 2010

**MINISTER OF LAW AND HUMAN RIGHTS**

**OF THE REPUBLIC OF INDONESIA,**

sgd.

**PATRIALIS AKBAR**

**STATUTE BOOK OF THE REPUBLIC OF INDONESIA  
YEAR 2010 NUMBER 121**

**ELUCIDATION**

**OF**

**GOVERNMENT REGULATION OF  
THE REPUBLIC OF INDONESIA  
NUMBER 70 YEAR 2010  
CONCERNING  
AMENDMENT TO GOVERNMENT  
REGULATION NUMBER 59 YEAR 2007  
CONCERNING  
GEOTHERMAL BUSINESS ACTIVITY**

**I. GENERAL**

The provision in Article 85 of Government Regulation Number 59 Year 2007 concerning Geothermal Business Activity states the existence of authority, permit, and contract on geothermal business activity prior to Government Regulation Number 59 Year 2007 is declared still prevails up to the term of the authority, permit, and contract expires.

However, the provision in Article 86 of Government Regulation Number 59 Year 2007 states that if the time limit is up to October 21, 2010 at the latest the business entity concerned still fails to conduct exploitation activity, then its work area must be relinquished to the Government.

In reality, no exploitation activity is conducted yet the business entity due to bureaucracy in issuing recommendation and permits on exploitation of geothermal so that the business entity is unable to conducted exploitation activity up to the specified time limit as referred to in Article 86 of Government Regulation Number 59 Year 2007. This may interrupt the Government's effort to guarantee availability and fulfillment of the people's need for electric power.

To give legal assurance and to guarantee availability and fulfillment of the people needs for electric power by the business entity it is deemed necessary to extend the term of delivery of work

area, so that it is necessary to amend the provision in Article 86.

## II. ARTICLE BY ARTICLE

### Article I

Self-explanatory.

### Article I1

Self-explanatory.

SUPPLEMENT TO STATUTE BOOK OF THE REPUBLIC OF  
INDONESIA NUMBER 5163

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