



Thursday, 8th December 2022

INFORMATION

Update on the Service Fees for the Public Service Agency for CPO Plantation Fund Management at USD 0/MT, Effective to 31 December 2022

The Indonesia's Ministry of Finance issued regulation No. 154/PMK.05/ Year 2022 concerning the service fees for the public service agency for oil palm plantation fund management at the Ministry of Finance is at USD 0/MT on 1 November 2022. This regulation is effective **from 1 November 2022 – 31 December 2022**.

Previously, the service fees for the public service agency for Crude Palm Oil (CPO) plantation fund management was at USD 0/MT as referred to the Ministry of Finance Regulation No. 130/PMK.05/ Year 2022. Currently, as the Ministry of Finance continued to extend the regulation, the service fees of CPO plantation fund management still remain the same at **USD 0/MT as the current price of CPO is still below USD 800/MT** as referred to the Ministry of Finance Regulation No. 154/PMK.05/ Year 2022.

The government carried out this extension as an effort to reduce the export burden borne by business actors to be able to increase exports. This momentum is utilized to reduce domestic stock and optimize the price of crude palm oil (CPO). This policy is considered effective in encouraging the acceleration of exports and raising the price of CPO at the farmer level. The USD 0/MT service fee will be given if the reference CPO price is still below USD 800/MT, and the current CPO price is still USD 713/MT.

References:

- The Ministry of Finance Regulation No. 154/PMK.05/ Year 2022
- The Ministry of Finance Regulation No. 130/PMK.05/ Year 2022

If you require the copy of these regulations, please do not hesitate to contact research@ibai.or.id

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