INFORMATION	Omnibus Law "Cipta Karya" draft regulation and the impact to sector mineral and coal mining

On February 2019, the Government submitted a Draft of Omnibus Law to the House of Representatives (DPR) to be discussed together until it became a Regulation. The submission was marked by the submission of Indonesian President Joko Widodo's letter to the Speaker of the Indonesian Parliament Mrs. Puan Maharani along with the text of the "Cipta Karya" draft regulation, which was submitted directly by the Coordinating Minister for the Economy Mr. Airlangga Hartarto to Mrs. Puan Maharani.

The Omnibus Law on Cipta Karya draft regulation originates from 79 Laws, containing 15 chapters and 174 articles targeting 11 clusters, namely, concerning the simplification of licensing, investment requirements, employment, facilities, empowerment, and protection of micro, small and medium enterprises (MSMEs), ease of doing business, research and innovation support, government administration, sanctions, land acquisition, government investment and projects, and economic zones.
The rules concerning work copyright are implemented based on the principle of equal rights, legal certainty, ease of doing business, togetherness, and independence; with the aim of creating the vast employment opportunities for Indonesia evenly throughout the Republic of Indonesia in the context of fulfilling the right to adequate livelihood through the ease and protection of MSMEs and cooperatives, improving the investment ecosystem, ease of doing business, increasing protection and welfare of workers, central government investment and acceleration of national strategic projects.

The Omnibus Law on Cipta Karya draft regulation has been published in public. The draft was published to invite the public for better understanding and participate in the development of the discussion by providing positive suggestions or positive inputs. As per 24th April 2020 President of Republic of Indonesia Joko Widodo request for the temporary postponed the discussion for on *workforce cluster (kluster ketenagakerjaan)* on the Cipta Kerja draft regulation due to the concern in the midst of the Covid-19 pandemic that giving impact to Indonesian workers. But the House of Representative meeting discussion the Omnibus Law on Cipta Karya draft regulation continues on April 27th 2020, the House of Representative held a Public Hearing Meeting (RDPU) with academics and business people.

Moreover, in sector mineral and coal mining, the House of Representatives and the government accelerate the revision of Regulation No. 4/2009 on mineral and coal mining which will be included in the Omnibus Law. In this draft, in the future the extension of the work contract will no longer go through the auction system. Each company can directly apply for an extension permit. Even permission to extend work contracts are no longer submitted for 2 years, but up to 5 years. There are at least 13 main issues that on discussion to be revised, those are:
1. Settlement of problems between sectors
2. Strengthening the concept of mining areas
3. Strengthening the added value policy
4. Encourage exploration activities to discover mineral deposits
5. Specific arrangements regarding permits for exploitation of rocks
6. Reclamation and post-mining
7. License period for integrated IUP and IUPK
8. Accommodating the Constitutional Court decree and Law Number 23 / 2014
9. Strengthening the role of government in fostering and supervising regions
10. Strengthening the role of SOEs
11. Continuation of KK and PKP2B operations
12. Community mining permit
13. Availability of a national mineral management plan

Please find attached the Omnibus Law "Cipta Karya" draft regulation and the Regulation No. 4/2009 on mineral and coal mining for your reference.