

<http://www.cejiss.org/issue-detail/natural-gas-alocation-in-indonesia-administrative-law-perspective>

← → ↻ ⓘ Not secure | www.cejiss.org/issue-detail/natural-gas-alocation-in-indonesia-administrative-law-perspective

🔍 ☆ 👤 ⋮



ISSUES ECONTRIBUTIONS BOOK REVIEWS EDITOR'S DESK SUBMISSIONS



Issue 12:4

Zainal Muttaqin; Adrian E. Rompis; Amelia Cahyadini; Rafika Fajriati Nastiti

12/13/2018



Like 0

Tweet

Natural Gas Alocation in Indonesia: Administrative Law Perspective

Indonesia's natural resources have its own interest in the international community, specifically oil and natural gas. The conduct of nation and state activities and actualization of the prosperity of the people must be landed by a governing law, including the management of oil and natural gas. Oil and natural gas as one of the contributors to the Indonesian Budget (APBN). With open market projects, privatisation, and energy consumption intervention, in this context the state's mega project is no longer development law politics but natural resource economy occupation, vital economic assets and the control of local markets by foreign companies, therefore globalization poses as a challenge for the government on its authority to manage natural resources, especially non-renewable resources. Natural gas is one of the non-renewable natural resources that controlled by the state. The importance of the use of natural gas, good for development in Indonesia and export needs, also the limited means natural gas itself, so the use of natural gas become important to the government attention. The concept of state sovereignty over the management of oil and natural gas has been raised as a research topic by law graduates because there are still many issues with oil and natural gas management, especially in the field of administration. This paper is about a regulation concerning the implementation of exploration and exploitation of natural gas which has the effect to both parties that involved in the process of the utilization of natural gas in several other businesses upstream. Firstly, the problem needs to review is, how is the authority of Minister of Energy and Mineral Resources in terms of re-allocation gas based on sovereignty country as stated in the Article 33 paragraph (3) of The 1945 Constitution of the Republic of Indonesia? Secondly, how the regulations of natural gas reallocation in Indonesia associated with the legal certainty?

🌀 2018 - VOLUME 12, ISSUE 4



Central European Journal of International and Security Studies

Country	Czech Republic -  SJR Ranking of Czech Republic
Subject Area and Category	Social Sciences Political Science and International Relations Safety Research
Publisher	Central European Journal of International and Security Studies
Publication type	Journals
ISSN	1805482X, 1802548X
Coverage	2012-ongoing

3

H Index

NATURAL GAS ALOCATION IN INDONESIA (ADMINISTRATIVE LAW PERSPECTIVE)

Zainal Muttaqin; Adrian E. Rompis; Amelia Cahyadini; Rafika Fajriati Nastiti¹

Indonesia's natural resources has its own interest in the international community, specifically oil and natural gas. The conduct of nation and state activities and actualization of the prosperity of the people must be landed by a governing law, including the management of oil and natural gas. Oil and natural gas as one of the contributor to the Indonesian Budget (APBN). With open market projects, privatisation, and energy consumption intervention, in this context the state's mega project is no longer development law politics but natural resource economy occupation, vital economic assets and the control of local markets by foreign companies, therefore globalization poses as a challenge for the government on its authority to manage natural resources, especially non-renewable resources. Natural gas is one of the non-renewable natural resources that controlled by the state. The importance of the use of natural gas, good for development in Indonesia and export needs, also the limited means natural gas itself, so the use of natural gas become important to the government attention. The concept of state sovereignty over the management of oil and natural gas has been raised as a research topic by law graduates because there are still many issues with oil and natural gas management, especially in the field of administration. This paper is about a regulation concerning the implementation of exploration and exploitation of natural gas which has the effect to both parties that involved in the process of the utilization of natural gas in several other businesses upstream. Firstly, the problem needs to review is, how is the authority of Minister of Energy and Mineral Resources in terms of re-allocation gas based on sovereignty country as stated in the Article 33 paragraph (3) of The 1945 Constitution of the Republic of Indonesia? Secondly, how the regulations of natural gas reallocation in Indonesia associated with the legal certainty?

Keywords : Sovereignty of the Republic of Indonesia, Natural Resources, Natural Gas Allocation, Natural Gas Price Settlement, Article 33 of the 1945 Constitution.

Natural gas in Indonesia has an important role in the export sector. Indonesia has export approximately 26,229.9 tons throughout 2008 to 2015 with FOB value approximately 15,601 million US Dollars per year to several countries such as Japan, China, South Korea, Australia, Singapore, Hongkong and many more.² Furthermore, natural gas has an important meaning in contributing to the country income although most of the country income since the tax reform in 1983 is coming from the taxation sector.

Natural gas is one of the non-renewable natural resources which is important for foreign exchange producer in the export sector and country income, also play an important role in human activities that is its very useful in various sectors, such as a source of energy and raw materials industries, are used for refinery industry, fertilizer, petrochemical, and other.³

Non-renewable natural resources strategic contained in Indonesia national wealth is controlled by the state, that the wealth of nation used for prosperity all the people of Indonesia.⁴ This is in line with the policy of national economic system of Republic Indonesia was set out in article 33 of The 1945 Constitution of the Republic of Indonesia in essence that economy developed as mutual effort based on the principle of family; the branches of the production of what is important for the state and who gained control of the life of the people are controlled by the states; the earth and water and the natural resources contained in it are controlled by the states and used for prosperity all the people of Indonesia; national economy is implemented based on economic democracy with the principles of community, efficiency system, sustainable, environmentally sound, independence, and by keeping the balance progress and national economic unity.