



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA NUMBER 217/PMK.02/2011

CONCERNING

PROCEDURES FOR BUDGET PROVISION, CALCULATION, PAYMENT, AND
ACCOUNTABILITY OF PARTICULAR TYPE OF FUEL SUBSIDY

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

- Considering
- a. that in order to reduce the society burden, the Particular Type of Fuel subsidy fund has been allocated in the State Revenue and Expenditure Budget and/or the Revised State Revenue and Expenditure Budget;
 - b. that in order to complete the stipulation on procedures for budget provision, calculation, payment, and accountability of Particular Type of Fuel subsidy, it is necessary to regulate procedures for budget provision, calculation, payment, and accountability of particular type of fuel subsidy, which was previously regulated in Regulation of Minister of Finance Number 03/PMK.02/2009 as amended by Regulation of Minister of Finance Number 195/PMK.02/2009.
 - c. That in accordance with the considerations as referred to in point a and point b, it is necessary to stipulate a Regulation of the Minister of Finance concerning Procedures of Budget Provision, Calculation, Payment, and Accountability of Particular Type of Fuel Subsidy;
- In View of
- 1. [Act Number 8 of 1983](#) concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods (State Gazette of the Republic of Indonesia of 1983 Number 51, Supplement to State Gazette of the Republic of Indonesia Number 3264) as amended by [Act Number 42 of 2009](#) (State Gazette of the Republic of Indonesia of 2009 Number 150, Supplement to State Gazette of the Republic of Indonesia Number 5069);
 - 2. [Act Number 22 of 2001](#) concerning Natural Oil and Gas (State Gazette of the Republic of Indonesia of 2001 Number 136, Supplement to State Gazette of the



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Republic of Indonesia Number 4152);

3. [Act Number 17 of 2003](#) concerning State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286);
4. [Act Number 1 of 2004](#) concerning State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
5. [Act Number 15 of 2004](#) concerning Investigation of Management and Accountability of State Finance (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplement to State Gazette of the Republic of Indonesia of 2004 Number 4400);
6. [Act Number 10 of 2010](#) concerning State Revenue and Expenditure Budget for 2011 Fiscal Year (State Gazette of the Republic of Indonesia of 2010 Number 126, Supplement to State Gazette of the Republic of Indonesia Number 5167) as amended by [Act Number 11 of 2011](#) (State Gazette of the Republic of Indonesia of 2011 Number 81, Supplement to State Gazette of the Republic of Indonesia Number 5233);
7. [Act Number 22 of 2011](#) on State Revenue and Expenditure Budget for 2012 Fiscal Year (State Gazette of the Republic of Indonesia of 2011 Number 113, Supplement to State Gazette of Indonesia Number 5254);
8. [Government Regulation Number 36 of 2004](#) concerning Downstream Activities of Natural Oil and Gas (State Gazette of the Republic of Indonesia of 2004 Number 124, Supplement to State Gazette of the Republic of Indonesia Number 4436);
9. [Government Regulation Number 8 of 2006](#) concerning Financial and Performance Reporting of Government Agencies (State Gazette of the Republic of Indonesia of 2006 Number 25 Supplement to State Gazette of the Republic of Indonesia Number 4614);
10. [Presidential Decree Number 42 of 2002](#) concerning Guidelines for State Revenue and Expenditure Budget Implementation (State Gazette of the Republic of Indonesia Number 4212), as amended by [Presidential Regulation Number 53 of 2010](#);
11. [Presidential Decree Number 55 of 2005](#) concerning Domestic Fuel Retail Price as amended by Presidential Decree Number 9 of 2006;
12. [Presidential Decree Number 71 of 2005](#) concerning



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Procurement and Distribution of Fuel as amended by Presidential Decree Number 45 of 2009;

13. [Presidential Decree Number 56/P of 2010](#);
14. [Regulation of Minister of Finance Number 153/kmk.012/1982](#) concerning Rupiah Exchange Rate on the United States Dollar Applied to Natural Oil and Gas Companies;
15. [Regulation of Minister of Finance Number 134/PMK.06/2005](#) concerning Payment in State Revenue and Expenditure Budget Implementation;
16. [Regulation of Minister of Finance Number 91/PMK.05/2007](#) concerning Standard Account Chart;
17. [Regulation of Minister of Finance Number 171/PMK.05/2007](#) concerning Financial Accounting and Reporting System of Central Government;
18. [Regulation of Minister of Finance Number 196/PMK.05/2009](#) concerning Procedures for Preparation and Presentation of Financial Statements of Subsidy Expenditure and Other Expenditures at Budget Financing Calculation Section;
19. [Regulation of Minister of Finance Number 196/PMK.05/2009](#) concerning Stipulation of State General treasury Account;
20. [Regulation of Minister of Finance Number 256/PMK.05/2010](#) concerning Procedures for State Revenue and Expenditure Budget Disbursement on Budget Section Expense of State General Treasurer at State Treasury Service Office;
21. [Regulation of Minister of Finance Number 256/PMK.05/2010](#) concerning Procedures for Saving and Disbursement of Reserve Fund.

DECIDES:

To stipulate : REGULATION OF THE MINISTER OF FINANCE CONCERNING PROCEDURES FOR BUDGET PROVISION, CALCULATION, PAYMENT, AND ACCOUNTABILITY OF PARTICULAR TYPE OF FUEL SUBSIDY.

Article 1

In this Regulation of the Minister of Finance:

1. Fuel, shall refer to fuel from and/or processed from petroleum.
2. Bio-fuel as other Fuel is fuel from vegetable materials and/or produced from other organic materials.



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3. Particular Type of Fuel is fuel that is derived and/or processed from Petroleum and/or fuel that is derived from and/or processed from petroleum mixed with Biofuel as other fuels with a particular type, standard, quality (specification), price, volume, and consumer.
4. Standard Price is price that is calculated monthly based on the Fuel market index price and/or Biofuel average market index applicable to the previous month plus the distribution charge and margin.
5. Enterprise is a company in the form of corporation that runs a fixed, continuous business and is established in accordance with the provisions of legislation as well as operated and located within the territory of the Republic of Indonesia that obtains a duty from the government to conduct the procurement and distribution activities of Particular Type of Fuel in accordance with the provisions of legislation.
6. Particular Type of Fuel Customers are customers of Particular Type of Fuel as stipulated in the provisions of legislation.
7. Proxy of Budget User or *Kuasa Pengguna Anggaran*, hereinafter referred to as KPA, is an officer who gets an authority and responsibility from the Budget User to use budget authorized to him.
8. Determination Letter of State General Treasurer's Working Plan and Budget or *Surat Penetapan Rencana Kerja dan Anggaran Bendahara Umum Negara*, hereinafter referred to as SP RKA-BUN, is a document of budget allocation determination as per organization and program units and is detailed into working units in accordance with a review of planning and budgeting document containing programs and activities of Budget Section of State General Treasury in one fiscal year and budget required to perform them.
9. Budget Implementation Checklist or *Daftar Isian Pelaksanaan Anggaran*, hereinafter referred to as DIPA, is a budget implementation document prepared by the Budget User/Proxy of Budget User and is approved by the Director General of Treasury or Head of Director General of Treasury Regional Office on behalf of the Minister of Finance as a State General Treasurer.
10. Reserve Fund Account is an account owned by the Minister of Finance as a State General Treasurer, to be used to save reserve fund.



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Article 2

- (1) In order to implement the subsidy budget of 3 Particular Type of Fuel, the Minister of Finance as the Budget User appoints the Director General of Budget as KPA.
- (2) Director General of Budget may delegate the authority of KPA to an official of echelon II within the Directorate General of Budget.
- (3) KPA as referred to in paragraph (1) issues the decision to assign:
 - a. An official who is authorized to conduct actions that cause budget expenditure / responsible person of activities / commitment maker, hereinafter referred to as Commitment Making Official (*Pejabat Pembuat Komitmen – PPK*);
 - b. An official who is authorized to test bills to the state and sign the Payment Order (*Surat Perintah Membayar – SPM*), hereinafter referred to as SPM Signing Official; and
 - c. Expenditure Treasurer, if needed.
- (4) A copy of the decision letter as referred to in paragraph (2) shall be submitted to the State Treasury Service Office (KPPN) Head of working Partner.

Article 3

- (1) Subsidy of Particular Type of Fuel consists of price subsidy and Value Added Tax (VAT) on the price subsidy.
- (2) Price subsidy shall be calculated in accordance with the multiplication of price subsidy per liter by the volume of Particular Type of Fuel that is submitted to the Particular Type of Fuel Consumers at a point of transfer as stipulated in accordance with the provisions of Legislation.
- (3) Price subsidy as referred to in paragraph (2) is calculated with the following formula:

$$\begin{aligned} SH &= SHL \times V \\ SHL &= [(HJE \text{ Fuel} - PPN - PBBKB) - HP \text{ Fuel}] \\ SH &= \text{Price Subsidy} \\ SHL &= \text{Price Subsidy per Liter} \\ V &= \text{Volume of Particular Type of Fuel (liter)} \\ HJE \text{ Fuel} &= \text{Fuel Retail Selling Price (Rp/liter)} \\ PPN &= \text{Value Added Tax (Rp/liter)} \\ PBBKB &= \text{Motor Vehicle Fuel Tax (Rp/liter)} \\ HP \text{ Fuel} &= \text{Fuel Standard Price (Rp/liter)} \end{aligned}$$



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- (4) Price subsidy per kilogram as referred to in paragraph (2) is a state expenditure for Particular Type of Fuel Consumers through the Enterprise on submission of Particular Type of Fuel calculated from the difference of retail price per kilogram of Particular Type of Fuel after being reduced by VAT and Motor Vehicle Fuel Tax (PBBKB) used in the calculation of Particular Type of Fuel subsidy in the State Budget and/or Revised State Budget of relevant fiscal year with the Standard Price of Particular Type of Fuel.
- (5) Retail price per liter of Particular Type of Fuel is a retail price per liter of Particular Type of Fuel in the country stipulated based on the provisions of legislation.
- (6) In the case of an adjustment to the retail price of Particular Type of Fuel as referred to in paragraph (5), the adjustment of retail price of Particular Type of Fuel for the Enterprise shall be applied 2 (two) days earlier than the retail price applicable to the Particular Type of Fuel Consumers.
- (7) Standard Price of Particular Type of Fuel shall be calculated in accordance with the provisions of legislation.
- (8) In the Standard Price per liter of Particular Type of Fuel as referred to in paragraph (7) includes margin.
- (9) The amount of margin as referred to in paragraph (8) is given to the Enterprise in accordance with the provisions of Legislation.
- (10) VAT on price subsidy as referred to in paragraph (1) shall be calculated based on the amount of price subsidy multiplied by VAT tariff based on the provisions of legislation.

Article 4

- (1) Fuel type that can be provided with a subsidy consists of Particular Type of Fuel as referred to in the provisions of legislation.
- (2) Subsidy of Particular Type of Fuel is provided to the Particular Type of Fuel Consumers based on the provisions of legislation.
- (3) Subsidy provision of Particular Type of Fuel to the Particular Type of Fuel Consumers as referred to in paragraph (2) shall be conducted by the Government through the Enterprise.

Article 5



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- (1) Subsidy fund of Particular Type of Fuel is allocated in the State Budget and/or Revised State Budget.
- (2) Director General of Budget of the Ministry of Finance conveys a notification of the subsidy limit of 3 Particular Type of Fuel to KPA.
- (3) In accordance with the notification as referred to in paragraph (2), KPA proposes the provision of subsidy fund of Particular Type of Fuel to the Director General of Budget.
- (4) In accordance with paragraph (3), the Director general of Budget issues SP RK-BUN.
- (5) SP RKA-BUN as referred to in paragraph (4), is conveyed literally to the Director general of Treasury and KPA.
- (6) In accordance with SP RKA-BUN as referred to in paragraph (5), KPA issues DIPA concept, which is subsequently submitted to the Director General of Treasury for approval.
- (7) Approved DIPA as referred to in paragraph (6) shall be the basis of the subsidy payment of Particular Type of Fuel.

Article 6

- (1) In case the DIPA limit on the subsidy expenditure of Particular Type of Fuel stipulated in one fiscal year with reference to the State Budget and/or Revised State Budget does not fulfill the needs of Particular Type of Fuel subsidy in the current fiscal year, the limit can be added by revising SP RKA-BUN as referred to in Article 5 paragraph (4) and DIPA as referred to in Article 5 paragraph (7) upon approval of the Minister of Finance in accordance with the provisions of legislation.
- (2) In case the subsidy fund of one or more Particular Types of Fuel is minus or run out in the use, revision of SP RKA-BUN can be made in accordance with the provisions of legislation.

Article 7

- (1) Director of Enterprise shall every month propose a payment request of Particular Type of Fuel subsidy to KPA.
- (2) Payment request of Particular Type of Fuel subsidy for 1 (one) month can be conveyed in the following 1 (one) month.
- (3) Payment request of Particular Type of Fuel subsidy as referred to in paragraph (1) must be included with



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complete supporting data, consisting of:

Calculation of the number of 3 Kilogram Tube LPG subsidy in accordance with the data as referred to in point a, point b, point c, point d and point e.

- a. Sale volume per Particular Type of Fuel in the country that at least includes:
 - 1) Submission volume of Particular Type of Fuel products to the Particular Type of Fuel Consumers; and
 - 2) Submission volume of Particular Type of Fuel products by the commercial distribution area;
- b. Index market price of Fuel and/or index market price of Biofuel;
- c. Standard Price of Particular Type of Fuel;
- d. Average buying rate of Bank Indonesia in the current month;
- e. Tax invoice of Particular Type of Fuel subsidy charged to KPA;
- f. Calculation of amount of Particular Type of Fuel subsidy in accordance with the data as referred to in point a, point b, point c, point d and point e.

Article 8

- (1) In accordance with the payment request of Particular Type of Fuel subsidy as referred to in Article 7 paragraph (1), KPA does research and verification on supporting data as referred to in Article 7 paragraph (3).
- (2) In the context of research and verification as referred to in paragraph (1), KPA may ask other supporting related to the calculation of Particular Type of Fuel subsidy to the Enterprise and/or other relevant institution.
- (3) In conducting the research and verification as referred to in paragraph (1), KPA may form a team.

Article 9

- (1) Result of the research and verification as referred to in Paragraph 8 shall be signed by a verifier and the Enterprise as a verified party.
- (2) Result of the research and verification as referred to in paragraph (1) shall be then included in minutes of Particular Type of Fuel subsidy verification signed by KPA and Director of Enterprise as a verified party.



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- (3) Further provisions concerning the verification procedures shall be regulated by KPA.

Article 10

- (1) Amount of price subsidy that can be paid every month to the Enterprise is at the highest of 95% (ninety five percent) from the verification calculation.
- (2) Amount of VAT on the price subsidy that can be paid every month is 100% (one hundred percent) from the verification calculation.

Article 11

- (1) In case the subsidy amount of verification result is different from the number of payment requested by the Enterprise as referred to in Article 7 paragraph (1), the Enterprise is required to issue the tax invoice based on the number of verification result.
- (2) The Enterprise shall issue Tax Payment Form (SSP) based on the subsidy amount of verification result.
- (3) Replacement tax invoice as referred to in paragraph (1) and SSP as referred to in paragraph (2) shall be submitted by the Enterprise to KPA.

Article 12

- (1) In accordance with the minutes of verification as referred to in Article 9 and the amount of Particular Type of Fuel subsidy that can be paid as referred to in Article 10, the SPM Signing Official makes, signs, and submits the SPM to KPPN of the working partner in accordance with the provisions of legislation.
- (2) VAT on price subsidy as referred to in Article 3 paragraph (9) shall be collected during the payment of price subsidy by cutting directly from the Enterprise bill on the relevant SPM.

Article 13

- (1) Correction on the number of Particular Type of Fuel that has been paid to the Enterprise as referred to in Article 12 shall be conducted quarterly.
- (2) The Enterprise shall submit a request of Particular Type of Fuel payment correction quarterly as referred to in paragraph (1) along with the supporting data as referred to in Article 7 paragraph (3) to KPA.



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- (3) In accordance with the payment correction as referred to in paragraph (2), KPA conducts research and verification in accordance with the research and verification as referred to in Article 8 paragraph (1) and (2).
- (4) Result of research and verification as referred to in paragraph (3) shall be used as a basis of payment correction to Particular Type of Fuel subsidy.
- (5) Payment correction to Particular Type of Fuel subsidy as referred to in paragraph (4) shall be calculated in the Particular Type of Fuel subsidy payment of the following month.
- (6) The payment of price subsidy based on the corrected subsidy calculation as referred to in paragraph (5) is 100% (one hundred percent) payment.
- (7) Payment on the corrected Particular Type of Fuel subsidy payment as referred to in paragraph (5) shall be conducted by the Particular Type of Fuel subsidy payment mechanism as referred to in paragraphs 11 and 12.

Article 14

Payment of price subsidy to the Enterprise as referred to in Article 10 paragraph (1) and Article 13 Paragraph (6) can be calculated with the Enterprise's obligation to the Government.

Article 15

- (1) The remaining subsidy budget of Particular Type of Fuel that has not been paid to the end of December in the current year due to the absence of document verification as referred to in Article 7 paragraph (3) shall be placed in Reserve Fund Account as referred to in the provisions of legislation.
- (2) Fund placement in the Reserve Fund Account as referred to in paragraph (1) shall be at the highest of remaining DIPA limit for Particular Type of Fuel subsidy.

Article 16

- (1) In the case that there is stat revenue from the result of sale of Particular Type of Fuel, the Enterprise is required to deposit the result of the sale to the State Treasury as Net Income of Sale of Particular Type of Fuel by using Account Code of 423131 (Net Income of Fuel Sale).



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- (2) Net Income as referred to in paragraph (1) shall be the excess of retail price per liter of Particular Type of Fuel after deducted by VAT and Motor vehicle Fuel Tax (PBBKB) used in the calculation of Particular Type of Fuel subsidy in the State Budget and/or the Revised State Budget of the current fiscal year and the Standard Price of Particular Type of Fuel multiplied by the volume of Particular Type of Fuel per liter delivered to the Particular Type of Fuel Customers at a point of transfer established in accordance with the provisions of legislation.

Article 17

Payment of Particular Type of Fuel subsidy as referred to in Article 12 and 13 paragraph (7) and net income of 3 Kilogram Tube LPG sales as referred to in Article 16 is temporary.

Article 18

- (1) Payment of Particular Type of Fuel Subsidy fund and net income of Particular Type of Fuel sales shall be audited by an authorized auditor based on the provisions of legislation.
- (2) Report on audit as referred to in paragraph (1) shall be submitted to the Minister of Finance.
- (3) Amount of Particular Type of Fuel subsidy and net income of Particular Type of Fuel sales in one fiscal year shall be finally based on the audit report as referred to in paragraph (2).

Article 19

- (1) In the event of less payment in the Particular Type of Fuel subsidy between the payment paid to the Enterprise and the audit result as referred to in Article 18, difference of the payment shall be paid to the Enterprise as long as it is budgeted in the State Budget and/or the Revised State Budget.
- (2) In the event the less payment fund as referred to in paragraph (1) has not been budgeted in the current year, the fund can be proposed to be budgeted in the State Budget and/or the Revised State Budget of the following fiscal year.
- (3) In the event of over payment in the Particular Type of Fuel subsidy between the payment paid to the



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Enterprise and the audit result as referred to in Article 18, excess of the payment shall be deposited to the State Treasury by the Enterprise using Account Code 423913 (Return of Other Expenditures of RM TAYL).

Article 20

- (1) In the event of less payment in VAT of price subsidy paid to the Directorate General of Taxation and the audit result as referred to in Article 18, the less payment in VAT of price subsidy shall be paid by KPA to the Directorate General of Tax in accordance with the legislation as long as the price subsidy is in the State Budget and/or the Revised State Budget.
- (2) In the event the less payment fund as referred to in paragraph (1) has not been budgeted in the current year, the fund can be proposed to be budgeted in the State Budget and/or the Revised State Budget of the following fiscal year.
- (3) In the event of over payment in VAT of price subsidy paid to the Directorate General of Taxation and the audit result as referred to in Article 18, excess of the payment shall be deposited to the State Treasury by the Enterprise by using Account Code 423913 (Return of Other Expenditure of RM TAYL).

Article 21

In the case of tax bill issuance and/or tax assessment to collect the tax principal and/or administrative sanction as a result of the correction as referred to in Article 13 or correction by an authorized auditor as referred to in the provisions of legislation, payment procedures of the tax bill and/or tax assessment shall refer to the provisions of legislation.

Article 22

- (1) For difference of less payment of price subsidy that has been paid to the Enterprise with the audit report as referred to in Article 18, the Enterprise shall issue a bill together with a tax invoice as much as the difference of the audit result and the verification result as referred to in Article 13.
- (2) For difference of over payment of price subsidy that has been paid to the Enterprise with the audit report as referred to in Article 18, the Enterprise shall issue a return invoice as much as the difference of the audit



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result and the verification result as referred to in Article 13.

Article 23

Enterprise shall be responsible formally and materially for the implementation and use of price subsidy fund.

Article 24

KPA shall be responsible for the distribution of subsidy fund of Particular Type of Fuel to the Enterprise.

Article 25

Enterprise submits an accountability report of fund use of price subsidy to KPA.

Article 26

KPA holds accounting and reporting in accordance with the provisions of legislation.

Article 27

For VAT on price subsidy that has not been collected before the promulgation of this Ministerial Regulation, the procedures for calculation and payment shall follow the mechanism regulated in this Ministerial Regulation.

Article 28

This Ministerial Regulation shall come into force to the extent the subsidy fund of Particular Type of Fuel is still allocated by State Revenue and Expenditure Budget and/or Revised State Revenue and Expenditure Budget.

Article 29

When this Ministerial Regulation comes into force, [Regulation of the Minister of Finance Number 03/PMK.02/2009](#) concerning Procedures, Calculation, and Payment of Fuel Subsidy for Particular Type of Fuel as amended by [Regulation of Minister of Finance Number 195/PMK.02/2009](#) shall be revoked and deemed null and void.



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Article 22

This Regulation of the Minister of Finance shall come into force on the date of its promulgation.

For public cognizance, this Regulation of the Minister of Finance shall be promulgated by placing it in State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on December 15, 2011
MINISTER OF FINANCE
Signed,
AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta
On December 15, 2011
MINISTER OF LAW AND HUMAN RIGHTS
Signed
AMIR SYAMSUDDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 835