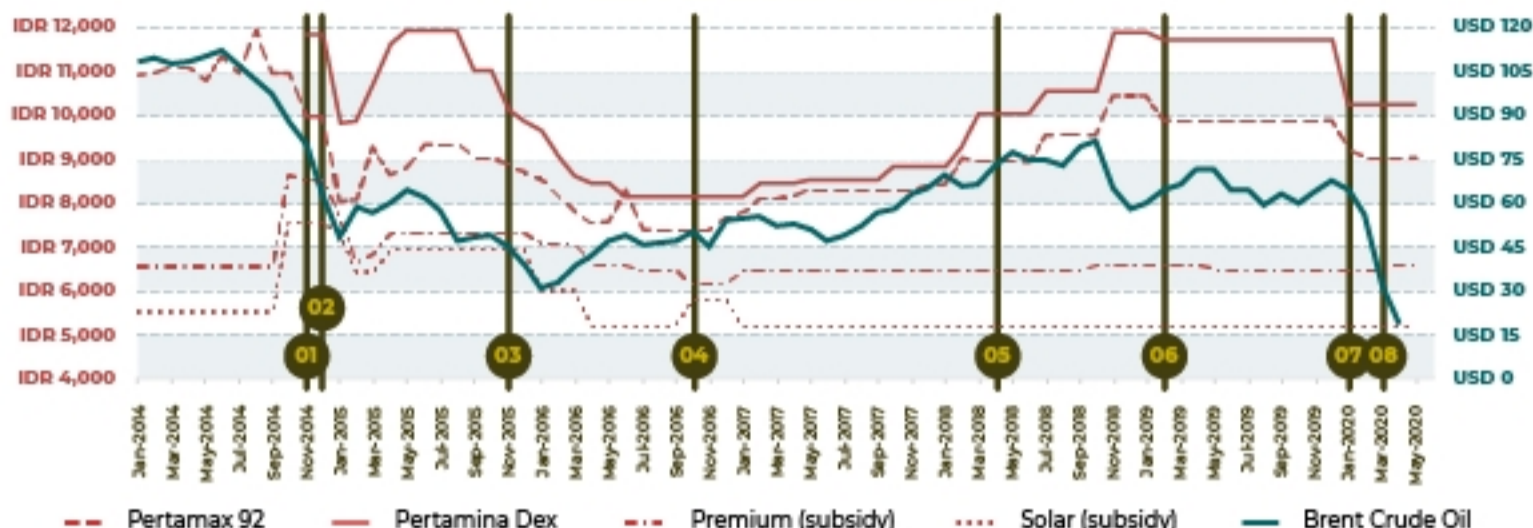


# INDONESIA'S BBM PRICE FORMULATION

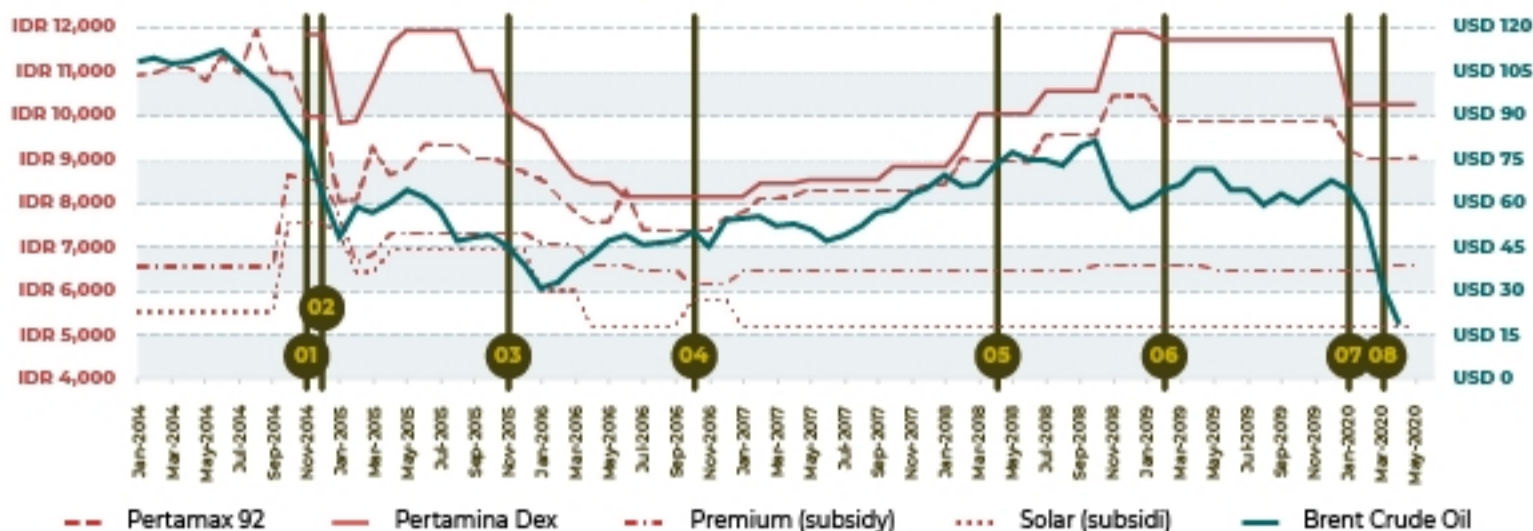
## BBM vs Crude Oil Price



No	Regulations	Important Updates	Pricing Formula
01	<b>ESDM Regulation No. 34/2014</b> *valid from 17 Nov 2014	<ul style="list-style-type: none"> <li>BBM price is set by the Minister of ESDM.</li> <li>BBM price is valid until the issuance of next regulation.</li> </ul>	<b>Price : Base price + PPn 10% + PBBKB 5% + Margin</b>
02	<b>ESDM Regulation No. 39/2014</b> *valid from 31 Dec 2014	<ul style="list-style-type: none"> <li>The base price is based on the crude price market index and exchange rates of the previous month.</li> <li>BBM is classified into 3 types                             <ul style="list-style-type: none"> <li>Jenis BBM Tertentu (Subsidized Fuel)*,</li> <li>Jenis BBM Khusus Penugasan, (Specially Assigned Fuel)*,</li> <li>Jenis BBM Umum (General Fuel)*.</li> </ul> </li> <li>BBM price will be evaluated and adjusted monthly.</li> </ul>	<b>Jenis BBM Tertentu:</b> <b>Price : Base Price + PPn 10% + PBBKB 5% - Subsidy (&lt;= Rp 1000)</b>  <b>Jenis BBM Khusus Penugasan:</b> <b>Price : Base Price + PPn 10% + PBBKB 5% - Distribution cost 2%</b>  <b>Jenis BBM Umum:</b> <b>Bottom price : Base price + PPn 10% + Regional PBBKB + Margin 5%</b>  <b>Ceiling price : Base price + PPn 10% + Regional PBBKB + Margin 10%</b>
03	<b>ESDM Regulation No. 39/2015</b> *valid from 9 Nov 2015	<ul style="list-style-type: none"> <li>The base price is based on the crude price market index and exchange rates of the previous 3 months.</li> <li>BBM price will be adjusted and evaluated every 3 months.</li> <li>Minister of ESDM will adjust the BBM price by considering several factors:                             <ul style="list-style-type: none"> <li>State financial capacity or economic situation,</li> <li>People's purchasing power,</li> <li>Real economy and social community.</li> </ul> </li> </ul>	<b>Jenis BBM Tertentu:</b> <b>Price : Base price + PPn 10% + PBBKB 5% - Subsidy Rp 500</b>
04	<b>ESDM Regulation No. 27/2016</b> *valid from 17 Oct 2016	<ul style="list-style-type: none"> <li>Adjustment in subsidy value of Jenis BBM Tertentu.</li> </ul>	<b>Jenis BBM Tertentu:</b> <b>Price : Base price + PPn 10% + PBBKB 5% - Subsidy Rp 500</b>
05	<b>ESDM Regulation No. 21/2018</b> *valid from 10 Apr 2018	<ul style="list-style-type: none"> <li>Adjustment in Jenis BBM Umum price formulation by removing the bottom margin.</li> </ul>	<b>Jenis BBM Umum:</b> <b>Price : Base price + PPn 10% + PBBKB regional + Maximum margin 10%</b>
06	<b>ESDM Decree No. 19K/MEM/2019</b> *valid from 1 Feb 2019	<ul style="list-style-type: none"> <li>Regulation to formulate Jenis BBM Umum only.</li> <li>The base price is based on the MOPS average price from the 25<sup>th</sup> of the previous 2 months to the 24<sup>th</sup> of the previous month.</li> <li>BBM price will be evaluated and adjusted every 3 months.</li> </ul>	<b>&lt; RON95:</b> <b>Bottom price : MOPS + Rp 952 + Margin 5%</b> <b>Ceiling price : MOPS + Rp 2542 + Margin 10%</b>  <b>&gt;= RON95:</b> <b>Bottom price : MOPS + Rp 1190 + Margin 5%</b> <b>Ceiling price : MOPS + Rp 3178 + Margin 10%</b>

# INDONESIA'S BBM PRICE FORMULATION

## BBM vs Crude Oil Price



No	Regulations	Important Updates	Pricing Formula
07	<b>ESDM Decree No. 187K/MEM/2019</b> *valid from 1 Jan 2020	<ul style="list-style-type: none"> <li>Adjustment in fuel formula's constants.</li> </ul>	<p>&lt; RON95:</p> <p>Bottom price : MOPS + Rp 1000 + Margin 5%</p> <p>Ceiling price : MOPS + Rp 1000 + Margin 10%</p> <p>&gt;= RON95:</p> <p>Bottom price : MOPS + Rp 1200 + Margin 5%</p> <p>Ceiling price : MOPS + Rp 1200 + Margin 10%</p>
08	<b>ESDM Decree No. 62K/MEM/2020</b> *valid from 1 Mar 2020	<ul style="list-style-type: none"> <li>The base price is based on the lowest average of MOPS or Argus price.</li> <li>Removal of bottom and ceiling price.</li> <li>Adjustment in fuel formula's constants and margins.</li> </ul>	<p>&lt; RON95:</p> <p>MOPS or Argus + Rp 1800 + Margin 10%</p> <p>&gt;= RON95:</p> <p>MOPS or Argus + Rp 2000 + Margin 10%</p>

### Note:

- Jenis BBM Tertentu (Subsidized Fuel):** Specific fuel types which are subsidized by the government including Premium, solar, kerosene (minyak tanah) and gas oil (minyak solar).
- Jenis BBM Khusus Penugasan, (Specially Assigned Fuel):** Fuel that is distributed to specific regions (usually remote areas) and is not subsidized by the government.
- Jenis BBM Umum (General Fuel):** Non-subsidized fuel including Peralite, Pertamina, Pertamina Dex, etc.

### Abbreviations:

- BBM : Fuel oil
- ESDM : Ministry of Energy and Mineral Resources
- MOPS : Mean of Platts Singapore
- PBBKB : Motor Vehicle Fuel Tax
- PPn : Value-Added Tax

