

## Overview Energy Industry Law in Indonesia

Indonesia is known for its natural capital in the energy resources either its renewable or non-renewable resources. In order to maintain a sustainable national energy resources and industry, since 2001 The Country has made a major amendment and issued several laws and provisions from Law No. 32 on Oil and Natural Gas in 2001 to the



latest Law No. 21 on Geothermal of 2014, which considered to complete all of the prevailing law and regulation in the renewable and non-renewable energy sector.

In addition, there is also Law No. 4 on Mineral Mining and Coal of 2009, a notable regulation which stipulates that mining company obliged to process and purified their raw mines product domestically in Indonesia and prohibited to export any mineral mines and coal product without any process and purifying fist and was applied since 2014.

The law and provision as mentioned above, have specifically regulated the industry from downstream to upstream process, for that business owners and company executive need to have a clear legal perspective before entering the business sector to keep their business complaint or when they need assistance in legal dispute regarding their business here in Indonesia.

### The Future

Realization of BP Lawyers's clients' objective is the foremost consideration. BP Lawyers's people are all experienced and dedicated to the full achievement of our clients' objectives by assisting clients to find their main goals, providing active



advisory assistance, strategy advisement, and creative support with quick responses around the clock.



With recognition of entrepreneurial spirit, and high standards of service and ethics, we have been very successful in providing timely and cost-effective representation of our clients. We also believe that complicated legal issues may not always demand complicated solutions, but they certainly demand creativity and the cooperation of lawyers mastering different areas of the law.

## Involvement in The Energy Industry Sector

BP Lawyers have extensive experience and expertise in most legal aspects of the Energy Industry Sector. We have represented multinational and domestic companies to assist in various stages from regulatory advice, transactional support or representation in legal dispute, such as:

- ✓ PT. Petronas Niaga Indonesia
- ✓ Sing Global Oil Pte, Ltd.
- ✓ PT. Ensco Sarida Offshore
- ✓ PT. Pasifik Timur Energindo

# Recent Experience in The Energy Industry Sector

As the Attorney of management of an oil company in an allegation of corruption case in Balikpapan.

Representing an oil & gas company claim with regard to Build Operating Owned of gas pipeline dispute.

Representing and assisting private company in process of dealing for Gas Purchase Agreement.

Representing and assisting client with regard to financing arrangement of Gas Project.

## Fee Structures

### A. **Hourly Fee System**

This is the most common method by which our office charges fees to clients. Under this system we charge clients for the actual time spent by our lawyers that are assigned to the case. Currently the hourly charges of our lawyers are:

Title	Rate
Partners	IDR 2,000,000/hour
Associates	Ranging from IDR 500,000 - IDR 1,500,000 per hour
	depending on Seniority

By this method, we will charge clients monthly in arrear (except that for new clients, we normally require a deposit, the amount of which would depend on the case).

### В. **Project Fee System**

This system would be beneficial to the client for transactions that are normally standard and can be readily quantifiable. In this system we would quote a lump sum fee (IDR 30,000,000 - 150,000,000) for the whole project with details of the scope of works covered. Any work beyond the scope of work or time beyond a capped limit would be charged separately. In order to set on appropriate lump sum fee, we would firstly have to know the scope of work required by the client.

#### C. **Retainer Fee System**

In this system the client pays us a fixed retainer monthly/annually, which will allow the client to utilize our services up to a pre-set time limit during the retainer period. Any time beyond the set limit will be charged additionally based on the applicable hourly fees of the lawyers handling the case (however with a pre-agreed discount). This system will provide the client with substantial savings if we are utilized effectively.



More details for of the retainer arrangement will be set forth in the retainer agreement.

Please note that all the fee systems above require the client to pay out-ofpocket expenses (e.g. traveling, long distance calls, photocopies, faxes, etc.).

We believe our experience and expertise in this area of law will support each client's objectives of achieving the best possible outcome, whether it be precautionary of any business interruption or seeking first step of remedies for avoiding litigation case.

If you would like additional information or about the Firm, please contact us (+62 889 2630 556, email: info@bplawyers.co.id).



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