

# Indonesia Moves Toward State-Controlled Strategic Commodities Exports: What Businesses Need to Know



## Background

In a significant shift in Indonesia's commodity export policy, the Government of Indonesia ("**Government**") has issued Government Regulation No. 24 of 2026 on Governance of Strategic Natural Resource Commodities Exports ("**GR 24/2026**"). GR 24/2026 introduces a new export governance framework for certain strategic commodities, under which exporters must channel exports through a designated State-Owned Enterprise ("**Export SOE**"). The regulation appears to form part of the Government's broader policy initiative to strengthen state oversight over strategic commodities exports in order to maintain domestic supply stability, strengthen national economic resilience, increase domestic value-added and support sustainable national development.

While a number of key operational aspects of the new framework remain subject to future implementing regulations, GR 24/2026 is expected to fundamentally reshape Indonesia's existing strategic commodity export structure with effect from 1 June 2026, being the effective date of GR 24/2026.



## Key Update and Changes

- ***Introduction of SNR Commodities***

GR 24/2026 introduces the concept of Strategic Natural Resource Commodities (“**SNR Commodities**”), which comprise natural resource commodities that the Government designates based on considerations of national interests, economic stability, domestic needs and/or the management of national strategic natural resources.

At the initial stage, GR 24/2026 designates coal, palm oil and ferro alloy as SNR Commodities. However, the Government may subsequently expand or amend the list through future coordinating meetings involving relevant ministries and agencies, with further implementation to be regulated by the Ministry of Trade.

While the current list of SNR Commodities is relatively limited, GR 24/2026 provides the Government with discretion to bring additional commodities within the scope of the regime. Accordingly, businesses operating in other natural resource sectors should therefore closely monitor future regulatory developments, particularly where their operations involve long-term investments, export-oriented projects or supply arrangements that could be affected if the Government subsequently designates their commodities as SNR Commodities.

- ***Exclusive Export Framework through Designated Export SOE***

GR 24/2026 establishes a centralized export framework under which only a designated Export SOE may export SNR Commodities, unless a specific exemption applies. Under this framework, the Export SOE may act either as the owner of the relevant commodities or as the sole intermediary in the export transaction. This represents a fundamental departure from the previous regime, under which producers or exporters could generally export commodities directly to overseas buyers, subject to applicable licensing and regulatory requirements.

This new export structure potentially raises a number of significant legal and commercial considerations. Domestically, the regulation may require businesses to reassess their existing export arrangements, contractual structures and compliance frameworks, including the continued relevance of export licenses and approvals currently held by exporters. From an international perspective, foreign buyers and international counterparties that have traditionally contracted directly with Indonesian producers or exporters may need to adapt to a new transaction structure in which the Export SOE acts as the principal exporter or intermediary.

- ***Potential Exemption Mechanism under GR 24/2026***

Although GR 24/2026 generally requires exporters to export SNR Commodities exclusively through Export SOE, it also provides an exemption mechanism for certain business actors. Specifically,



exporters that have entered into contracts or agreements with the Government containing specified commitments may qualify for an exemption.

GR 24/2026 does not, however, provide detailed guidance on the eligibility criteria, application procedures or conditions applicable to such exemption. Nevertheless, this exemption framework reflects the Government's intention to preserve flexibility within the new export framework, particularly where the mandatory SOE-led export structure could adversely affect existing strategic projects, contractual arrangements or other projects of national significance.

Given the potentially significant commercial implications of this exemption framework, businesses with existing government-related contracts or long-term investments should assess the potential applicability of the exemption and monitor further regulatory developments. Businesses may also wish to engage early with relevant stakeholders, particularly as the exemption process appears likely to involve a discretionary governmental assessment rather than a purely administrative approval.

- ***Transitional Period***

GR 24/2026 introduces a transition period from 1 June 2026 until 31 December 2026, or such earlier date as the Government may determine based on its evaluation. During this period, it is expected the Government may implement the gradual transfer of export activities for SNR Commodities from existing exporters to the Export SOE. The transition period provides the Government with an opportunity to evaluate and implement the new centralized export framework prior to its full implementation.

As part of the transition process, the Government must evaluate the implementation of exports through the Export SOE within three months after GR 24/2026 comes into effect. The regulation does not specify the scope of this evaluation, however, it mandates the Export SOE to evaluate sales contracts executed before 1 June 2026 that remain in force. This indicates that the transition process will take existing contractual arrangements into account when shifting to the centralized export framework. Following the expiry of the transition period, or earlier as the Government determines based on its evaluation, the centralized export framework will become fully effective. At such point, only the Export SEO may conduct exports of SNR Commodities, either as the owner of the commodities or as the sole intermediary in the export transaction.

Although GR 24/2026 sets out the overarching framework, the Government has not yet detailed how it will implement the regime in practice. Future implementing regulations will likely determine the extent to which private sectors may continue to participate in export activities during and after the transition period. In anticipation of further regulatory developments, businesses may wish to begin assessing the potential impact of the new regime on their operations and commercial arrangements, including: (i) the restructuring of existing export arrangements, (ii) operational integration with the Export SOE, (iii) amendments to existing financing structures and offtake arrangements with overseas buyers and (iv) contractual allocation of export responsibilities.



## Conclusion

GR 24/2026 represents a significant shift in Indonesia's commodity export regime through the introduction of a centralized export governance framework under a designated Export SOE. While the regime initially applies to coal, palm oil and ferro alloy, the Government may designate additional SNR Commodities in the future, potentially expanding the framework's scope over time.

Notwithstanding its immediate effect, GR 24/2026 leaves a number of key implementation issues to future implementing regulations. These include the practical implementation of the export control framework, reporting and verification requirements, transportation and insurance arrangements, the exemption application procedures and the role of private sectors within the new export structure during and after the transitional period.

Given the potentially far-reaching implications of GR 24/2026 for producers, exporters, traders, financiers and international counterparties involved in SNR Commodities exports, businesses should closely monitor regulatory developments and assess how the new regime may affect their export operations, financing arrangements, commercial arrangements and contractual structures. Businesses that evaluate these issues early will be better positioned to manage the transition and maintain compliance under Indonesia's evolving strategic commodity export framework.

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