

REGULATION OF THE REGENCY OF MIMIKA  
NUMBER 10 OF 2020  
ON  
MIMIKA REGENCY GOVERNMENT'S EQUITY PARTICIPATION TO  
PAPUA DIVESTASI MANDIRI LIMITED LIABILITY COMPANY

BY THE BLESSINGS OF ALMIGHTY GOD

REGENT OF MIMIKA,

- Considering :
- a. that in order to increase economic growth and development and increase regional revenue in the context of implementing regional autonomy, the Mimika Regency Government utilizes regional wealth as equity included in the Papua Divestasi Mandiri Limited Liability Company;
  - b. that the efforts as referred to in point a, need to be supported by funding in the form of equity participation of the Mimika Regency Government;
  - c. that the provisions of Article 333 of Law Number 23 of 2014 on Local Governments mandate the equity participation of the Mimika Regency Government are stipulated by a Regional Regulation;
  - d. that based on the considerations as referred to in point a, point b, and point c, it is necessary to issue a Regional Regulation of the Regency of Mimika on Equity Participation of Mimika Regency Government to Papua Disvestasi Mandiri Limited Liability Company;

- Observing :
1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;
  2. Law Number 12 of 1969 on Establishment of Autonomous Province of West Irian and Autonomous Regencies in West Irian Province (State Gazette of the Republic of Indonesia Number 47 of 1969, Supplement to the State Gazette of the Republic of Indonesia Number 2907);
  3. Law Number 45 of 1999 on Establishment of West Irian Jaya Province, Central Irian Jaya Province, Paniai Regency, Mimika Regency, Puncak Jaya Regency, and Sorong Municipality (State Gazette of the Republic of Indonesia of 1999 Number 173, Supplement to the State Gazette Number 3894);
  4. Law of the Republic of Indonesia Number 21 of 2001 on Special Autonomy for the Province of Papua (State Gazette of the Republic of Indonesia Number 135 of 2001, Supplement to the State Gazette of the Republic of Indonesia

- Number 4151) as amended by Law Number 35 of 2008 on Enactment of Government Regulation in lieu of Law Number 1 of 2008 on Amendment to Law Number 21 of 2001 on Special Autonomy for the Province of Papua into Law (State Gazette of the Republic of Indonesia Number 112 of 2008, Supplement to the State Gazette of the Republic of Indonesia Number 4884);
5. Law Number 17 of 2003 on State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286);
  6. Law Number 1 of 2004 on State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355);
  7. Law Number 15 of 2004 on Audit of Management and Accountability of State Finance (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplement to the State Gazette of the Republic Indonesia Number 4400);
  8. Law Number 33 of 2004 on Fiscal Balance between Center Government and Local Governments (State Gazette of the Republic of Indonesia of 2004 Number 126, Supplement to the State Gazette of the Republic of Indonesia Number 4438);
  9. Law Number 40 of 2007 on Limited Liability Companies (State Gazette of the Republic of Indonesia Number 106 of 2007, Supplement to the State Gazette of the Republic of Indonesia Number 4756);
  10. Law Number 12 of 2011 on Legislation Making (State Gazette of the Republic of Indonesia Number 82 of 2011, Supplement to the State Gazette of the Republic of Indonesia Number 5234) as amended by Law Number 15 of 2019 on Amendment to Law Number 12 of 2011 on Legislation Making (State Gazette of the Republic of Indonesia of 2019 Number 183, Supplement to the State Gazette of the Republic of Indonesia Number 6398);
  11. Law Number 23 of 2014 on Local Governments (State Gazette of the Republic of Indonesia Number 244 of 2014, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times last by Law Number 9 of 2015 on Second Amendment to Law Number 23 of 2014 on Local Governments (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);
  12. Government Regulation Number 43 of 2011 on Procedures for Filing and Using Names of Limited Liability Companies (State Gazette of the Republic of Indonesia Number 96 of 2011, Supplement to the State Gazette of the Republic of Indonesia Number 5244);
  13. Government Regulation Number 54 of 2017 on Local-Owned Enterprises (State Gazette of the Republic of Indonesia Number 305 of 2017, Supplement to the State Gazette of the Republic of Indonesia Number 6173);
  14. Government Regulation Number 12 of 2019 on Regional

- Financial Management (State Gazette of the Republic of Indonesia Number 42 of 2019, Supplement to the State Gazette of the Republic of Indonesia Number 6322);
15. Regulation of the Minister of Home Affairs Number 13 of 2006 on Guidelines on Regional Financial Management as amended several times by Regulation of the Minister of Home Affairs Number 21 of 2011 on Second Amendment to Regulation of the Minister of Home Affairs Number 13 of 2006 on Guidelines on Regional Financial Management (State Bulletin of the Republic Indonesia of 2011 Number 310);
  16. Regulation of the Minister of Home Affairs Number 52 of 2012 on Guidelines on Investment Management of Local Governments (State Bulletin of the Republic of Indonesia of 2012 Number 754);
  17. Regulation of the Province of Papua Number 7 of 2018 on Establishment of Regional Limited Company of PT Papua Divestasi Mandiri (Regional Gazette of the Province of Papua of 2018 Number 7, Regno) of Regulation of the Province of Papua (4.71/2018 );
  18. Regulation of the Province of Papua Number 1 of 2020 on Amendment to Regulation of the Province of Papua Number 7 of 2018 on Papua Divestasi Mandiri Limited Liability Company (Regional Gazette of the Province of Papua of 2020 Number 1, Regulation of the Province of Papua Number 5-65/2020);
  19. Regulation of the Regency of Mimika Number 2 of 2007 on Essences of Regional Financial Management (Regional Gazette of the Regency of Mimika of 2007 Number 2);

With the Joint Approval of  
THE REGIONAL HOUSE OF REPRESENTATIVES OF THE REGENCY OF  
MIMIKA  
and  
THE REGENT OF MIMIKA

HAS DECIDED:

To issue: REGIONAL REGULATION ON EQUITY PARTICIPATION OF  
MIMIKA REGENCY GOVERNMENT TO PAPUA DIVESTASI  
MANDIRI LIMITED LIABILITY COMPANY.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Regional Regulation:

1. Region means the Regency of Mimika.
2. Local Government means the implementation of government affairs by local governments and regional house of representatives according to the principle of autonomy and assistance duties with the principle of the widest possible autonomy in the system and the principles of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
3. Local Government means the Regional Head as an administering element of the Local Government who leads the implementation of Government

- affairs that are the authority of the autonomous region.
4. Regent means the Regent of Mimika.
  5. Regional House of Representatives, hereinafter abbreviated as DPRD, means a regional people's representative institution that is positioned as an administering element of local government.
  6. Local Budget (*Anggaran Pendapatan dan Belanja Daerah*), hereinafter referred to as APBD, means a regional annual financial plan determined by regional regulations.
  7. Regional Revenue means all regional rights that are recognized as an increase in the value of net worth in the period of the relevant budget year.
  8. Regional Company means a local-owned enterprise in the form of a Limited Liability Company whose equity is divided into shares wholly or at least 51% (fifty-one hundredth) of its shares owned by an area.
  9. Regional equity participation in the form of money is a form of investment by the Local Government in business entities by obtaining ownership rights.
  10. Papua Divestasi Mandiri Limited Liability Company means a legal entity which is a equity partnership, established based on an agreement, carrying out business activities with authorized equity which is entirely divided into 70% of Mimika Regency and Papua Province 30% shares satisfying the requirements stipulated in Law Number 40 of 2007 on Limited Liability Companies and its implementing regulations.

## CHAPTER II OBJECTIVES AND PRINCIPLES

### Article 2

The equity participation stipulated in this Regional Regulation aims to fulfill the obligations of the Local Government of 70% (seventy per hundredth) of the authorized equity of PT Papua Divestasi Mandiri in the amount of Rp.3,000,000,000.00 (three billion rupiah).

### Article 3

- (1) Equity participation is carried out based on the following principles:
  - a. increasing the growth and development of the regional economy;
  - b. increasing regional revenue; and
  - c. improving the welfare of the community.
- (2) Regional equity participation in the form of money.

## CHAPTER III AMOUNT OF EQUITY PARTICIPATION

### Article 4

- (1) The amount of equity participation as referred to in Article 2 is Rp.2,100,000,000.00 (two billion one hundred million rupiah).
- (2) The amount of equity participation as referred to in section (1) is detailed as follows:
  - a. Budget Year 2020 with a number of Rp. 1,400,000,000.00 (one billion four hundred million rupiah);
  - b. Budget Year 2021 with a number of Rp. 700,000,000.00 (seven hundreds million rupiah).

#### CHAPTER IV BUDGETING

##### Article 5

The amount of Equity Participation as referred to in Article 4 section (2) is budgeted in the Mimika Regency Budget.

#### CHAPTER V CONTROL AND SUPERVISION

##### Article 6

The control of the Government's equity participation is carried out by the Regent in accordance with the provisions of legislation.

##### Article 7

Supervision and examination of the management and accountability of the Mimika Regency Government's equity participation is carried out by internal and external supervisory apparatuses in accordance with the provisions of legislation.

#### CHAPTER VI CLOSING PROVISIONS

##### Article 8

At the time this Regional Regulation come into force, Regulation of the Regency of Mimika Number 3 of 2018 on Equity Participation of the Mimika Regency Government to Papua Divesatsi Mandiri Limited Liability Company, is repealed and declared ineffective.

##### Article 9

This Regional Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Regional Regulation by its placement in the Regional Gazette of the Regency of Mimika.

Issued in Timika  
on 7 December 2020

REGENT OF MIMIKA,  
signed  
ELTINUS OMALENG

Promulgated in Timika  
on 7 December 2020

Acting REGIONAL SECRETARY  
OF MIMIKA REGENCY,

signed

JENI OHESTINA USMANY

REGIONAL GAZETTE OF THE REGENCY OF MIMIKA OF 2020 NUMBER 10.

Jakarta, 26 July 2024

Has been translated as an Official Translation  
on behalf of Minister of Law and Human Rights  
of the Republic of Indonesia  
DIRECTOR GENERAL OF LEGISLATION,



ELUCIDATION  
OF  
REGULATION OF THE REGENCY OF MIMIKA  
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I. GENERAL

In the context of implementing regional autonomy and to increase regional economic growth, efforts and attempts are needed to increase regional revenue sources.

Based on the provisions of Article 285 section (1) of Law Number 23 of 2014 on Local Governments, it is stated that regional sources of revenue consist of:

- a. Local Owned-Source Revenue, consisting of:
  1. Local taxes.
  2. Local levy.
  3. The results of the management of regional wealth that are separated.
  4. Other legitimate regional revenues.
- b. transfer income; and
- c. other legitimate regional revenues.

Furthermore, based on the provisions of Article 332 of Law Number 23 of 2014 on Local Governments, Local Governments can make equity participation in Local-Owned Enterprises (Badan Usaha Milik Daerah, BUMD). Article 333 on Equity Participation can be increased, reduced, sold to other parties, and/or can be done for the formation of BUMD and BUMD adding equity, Equity participation can be in the form of money and local-owned assets.

Therefore, to support the achievement of an increase in local owned-source revenue, it is necessary to intensify and extensify local owned-source revenues, one of which is in the form of local equity participation in local-owned enterprises.

Local equity participation regulated in this regional regulation includes the objectives, amount of equity participation, budgeting, reporting, control and supervision according to the APBD mechanism. The amount of allocation for the provision of equity participation funds in the APBD each budget year is adjusted to the available regional financial capacity in the relevant budget year.

II. ARTICLE AFTER ARTICLE

Article 1

Sufficiently clear

Article 2

Sufficiently clear.

Article 3

Sufficiently clear.

Article 4

Section (1)

Sufficiently clear

Section (2)

Equity Participation in Budget Year 2020 and Budget Year 2021, if not realized, can be realized for the next Budget Year.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Sufficiently clear.

REGENT OF MIMIKA,

signed

ELTINUS OMALENG

Acting REGIONAL SECRETARY  
OF THE REGENCY OF MIMIKA,

signed

JENI OHESTINA USMANY