

# **MEMBER ALERT**



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## **INDONESIA – BULK MINERAL EXPORT BAN**

As many Members will be aware from press reports on the subject, there has been a ban as of January 12, 2014 on the export of mineral ores from Indonesia which originate from mines which do not comply with the provisions of Law No. 4 of 2009 on coal and mineral mining. The law in question requires mines to have in place smelting and processing facilities by the date in question.

A consequence of the law is that any vessels which are loaded and about to sail after January 12, 2014 with unrefined mineral ore cargoes from Indonesian ports which do not have the relevant permits/licenses allowing export as of January 12, 2014 and beyond, could be subject to detention and fines.

However, recent press reports in Indonesia indicate that the president of that country is reviewing means by which the consequences of the ban might be eased, for example by introducing purity levels for ores and allowing ores which exceed those levels to be exported.

Relevant reports suggest that the purity percentage for compliance might be in the order of 1.6% for nickel ore and between 35% and 45% for bauxite. Should this measure in fact be introduced, it might allow mines to continue their current operations until 2017, after which all ores would have to undergo domestic processing.

In the interim, and until these reported proposals take effect, Members are urged to check that the supplier of any unrefined mineral ores proposed for loading in Indonesia has the necessary export permits.

Moreover, and of crucial importance in loading nickel ore cargoes in particular, Members are reminded of the Club's requirements as to cargo certification and loading procedures in compliance with the IMSBC Code, and especially as stated in Circular No. 07/13 of February 28, 2013.