

Draft Government Regulation No. 1 of 2019: Domestic placement of proceeds from exports of natural resources, another attempt to control foreign exchange

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As a follow up to the Government's sixteenth Economic Reform Policy Package announced by the Coordinating Ministry of Economic Affairs on 16 November 2018, the Government has issued Government Regulation No. 1 of 2019 ("GR No. 1/2019") which came into effect on 10 January 2019. In general, GR No. 1/2019 requires Proceeds or Funds derived from the Export of Natural Resources to be deposited into the Indonesian financial system through a local bank.

The practical implementation of GR No. 1/2019 will need to wait for a more detailed implementing regulation, which is currently being prepared by the Ministry of Finance and Bank Indonesia. Meanwhile, Dentons HPRP's lawyers, Maurice Maulana Situmorang (Partner) and Randy Suwenli (Associate), have prepared an article discussing the new regulation and highlighting the important points.

The article can be downloaded [here](#).

With its extensive expertise in the natural resources sector, Dentons HPRP has been successfully assisting corporations in the industry. Please contact the partner listed under key contact for further details.

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