Indonesia's New Export Gatekeeper: Danantara SDI

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At the DPR Plenary Session on 20 May 2026, President Prabowo Subianto outlined a policy direction that could significantly reshape Indonesia's governance of natural-resource exports and foreign-exchange management. The government announced the planned establishment of *Danantara Sumberdaya Indonesia* ("**Danantara SDI**"), a state-linked entity intended to support the implementation of a centralized export mechanism for strategic natural-resource commodities while strengthening the management of Export Proceeds from Natural Resources (*Devisa Hasil Ekspor Sumber Daya Alam* / DHE SDA).

Danantara SDI is expected to function as a national coordination and control platform responsible for overseeing export administration, transaction reporting, and monitoring of Indonesia's key commodity exports. The initiative forms part of the government's broader agenda to increase state oversight over commodity trade flows and improve the domestic economic capture of Indonesia's resource wealth. Through a more centralized export structure, the policy is expected to contribute to stronger foreign-exchange reserves, improved Rupiah stability, and greater resilience of the national balance of payments.

The initiative is also intended to strengthen governance and transparency across Indonesia's commodity-export ecosystem. By consolidating export reporting and coordination, the government seeks to improve transaction traceability, strengthen oversight of export pricing, and reduce risks associated with trade mispricing, under-invoicing, and transfer-pricing practices that may contribute to offshore revenue leakage that has been allegedly happening for years.

This initiative is considered as Indonesia's continuing shift toward a more state-directed natural-resource governance model, alongside downstream industrialization policies, restrictions on raw commodity exports, and the expanding strategic role of state-linked entities and sovereign investment platforms. If implemented comprehensively, the initiative could materially influence Indonesia's commodity-trading architecture, export financing arrangements, and private-sector participation across the natural-resources sector. The initial commodities covered under the framework would include coal, ferro alloys, and crude palm oil (CPO) — sectors that represent some of Indonesia's largest export contributors and key pillars of the country's downstream industrialization and foreign-exchange strategy.

A key challenge surrounding this initiative will be the significant amount of time and coordination required for planning, implementation, and operational adjustment across Indonesia's commodity-export ecosystem. The transition is expected to affect exporters, traders, shipping companies, financial institutions, logistics providers, and state agencies, particularly given the strategic importance of Indonesia's natural-resource exports to national foreign-exchange earnings.

Based on various public discussions and policy narratives, the implementation is expected to occur in three phases. The first phase, regarded as the initial transition period, is expected to run from 1 June 2026 to 31 August 2026. During this stage, existing export arrangements and commercial activities are expected to continue under prevailing conditions, including ongoing contracts, cargo movements, and exporter-importer operations, in order to maintain market stability and avoid disruption to trade flows. Following the transition phase, export coordination and administrative functions are expected to be gradually shifted to Danantara SDI, including export reporting, transaction monitoring, and coordination mechanisms. Full implementation is reportedly targeted for 1 January 2027, when Danantara SDI is expected to assume a more centralized role in overseeing strategic commodity exports: improve transparency, strengthen data integrity, support export-price evaluation, and enhance Indonesia's bargaining position in global commodity trade.

A policy initiative of this scale — introducing Danantara SDI with a central role in Indonesia's export architecture — will require close coordination and oversight from all stakeholders, given its potentially significant implications for trade flows, foreign-exchange management, and the broader Indonesian economy. The most fundamental aspect of the initiative will be the development of a clear and comprehensive legal and regulatory framework capable of supporting its implementation across multiple sectors and institutions.

Although it has been widely reported that the overarching framework will be formalized through a Government Regulation (*Peraturan Pemerintah*) as the principal legal basis for implementation, substantial adjustments to implementing regulations across relevant ministries are expected to be required. In particular, regulatory alignment will likely involve the Ministry of Finance and the Ministry of Trade, both of which play central roles in export administration, customs, taxation, trade supervision, and foreign-exchange management. Coordination with the Ministry of Energy and Mineral Resources (MEMR) will be equally important, given that the initial commodities prioritized under the initiative — including coal and ferro alloys — fall directly within the ministry's regulatory authority.

The refinement of these implementing regulations will be critical in providing legal certainty and operational clarity across several areas. This includes the treatment of exports conducted under Free Trade Agreements (FTAs), bilateral trade arrangements, and reciprocal trade agreements that involve intergovernmental commitments. At a more practical commercial level, the transition may also affect existing contractual arrangements entered into by exporters, traders, producers, and international counterparties for commodities that may later fall within the operational scope of Danantara SDI.

As a result, the effectiveness of the initiative will depend not only on policy ambition, but also on the government's ability to establish a coherent regulatory framework that balances stronger state coordination with legal certainty, continuity of commercial arrangements, and Indonesia's commitments within the international trade system.

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