

## ABSTRACT

The acquisition of foreign shareholders by the Government has been the main topic in this dissertation relating to the Regulation of Law No. 4 of 2009 regarding Mineral and Coal Mining (the "Mining Law") which requires foreign shareholders to divest their shares to Indonesian parties. The offer should be made to the Government of Indonesia in priority.

Moreover, the concept of divestment of shares in the Mining Law is the divestment rule that requires the foreign shareholders to sell their shares and assets to be given to the local entities or Indonesian participants.

In addition, the existing of shares divestment taken by the Government of Indonesia, has spread a better understanding both to the state financial allocation for the divestment of shares and the change of status regarding the divestment.

Keywords : Acquisition of foreign shareholders, divestment of shares, corporate legal status