



CHAIRMAN OF INVESTMENT COORDINATING BOARD
REPUBLIC OF INDONESIA

COPY

REGULATION OF THE CHAIRMAN OF INVESTMENT COORDINATING BOARD
REPUBLIC OF INDONESIA

NUMBER 17 OF 2015

ON

GUIDELINES AND PROCEDURES FOR CONTROLLING THE IMPLEMENTATION
OF INVESTMENT

BASED ON BELIEF IN THIS ONE AND ONLY GOD

CHAIRMAN OF INVESTMENT COORDINATING BOARD

- Considering :
- a. that for implementing provision of Article 14, Article 15 and Article 28 paragraph (1) letter h Law Number 25 of 2007 on Investment has been stipulated Regulation of the Chairman of Investment Coordinating Board Number 3 of 2012 on Guidelines and Procedures for Controlling the Implementation of Investment.
 - b. that for the purpose of increasing the realization of investment, it is deemed necessary to simplify the Regulation of the Chairman of Investment Coordinating

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Board Number 3 of 2012 on Guidelines and Procedures for Controlling the Implementation of Investment.

- c. that based on the consideration as referred to in letter a and letter b, it is deemed necessary to stipulated Regulation of the Chairman of Investment Coordinating board on Guidelines and Procedures for Controlling the Implementation of Investment.

- In view of :
1. Law Number 7 of 1983 on Income Tax (State Gazette of the Republic of Indonesia of 1983 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 3263), as severally amended the last amended by Law Number 36 of 2008 (State Gazette of the Republic of Indonesia of 2008 Number 133, State Gazette of the Republic of Indonesia Number 4893);
 2. Law Number 10 of 1995 on Customs (State Gazette of the Republic of Indonesia of 1995 Number 75, State Gazette of the Republic of Indonesia Number 3612), as amended by Law Number 17 of 2006 (State Gazette of the Republic of Indonesia of 2006 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4661);
 3. Law Number 36 of 2000 on Government Regulation in Lieu of Law Number 1 of 2000 on the Free Trade Zone and Free Port become Law (State Gazette of the Republic

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- of Indonesia of 2000 Number 251, State Gazette of the Republic of Indonesia Number 4053), as amended by Law Number 44 of 2007 (State Gazette of the Republic of Indonesia of 2007 Number 130, Supplement to State Gazette of the Republic of Indonesia Number 4775);
4. Law Number 37 of 2000 on Stipulation of Government Regulation in Lieu of Law Number 2 of 2000 on the Free Trade Zone and Free Port of Sabang into Law (State Gazette of the Republic of Indonesia of 2000 Number 252, Supplement to State Gazette of the Republic of Indonesia Number 4054);
 5. Law Number 13 of 2003 on Manpower (State Gazette of the Republic of Indonesia of 2003 Number 39, State Gazette of the Republic of Indonesia Number 4279);
 6. Law Number 31 of 2004 on Fishery (State Gazette of the Republic of Indonesia of 2004 Number 118, State Gazette of the Republic of Indonesia Number 4433) as amended by Law Number 45 of 2009 on Fishery (State Gazette of the Republic of Indonesia of 2009 Number 154, Supplement to State Gazette of the Republic of Indonesia Number 5073);
 7. Law Number 25 of 2007 on Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to State Gazette of the Republic of Indonesia

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- Number 4724);
8. Law Number 26 of 2007 on Spatial Planning (State Gazette of the Republic of Indonesia of 2007 Number 68, Supplement to State Gazette of the Republic of Indonesia Number 4725);
 9. Law Number 40 of 2007 on Limited Liability Company (State Gazette of the Republic of Indonesia of 2007 Number 106, Supplement to State Gazette of the Republic of Indonesia Number 4756);
 10. Law Number 11 of 2008 on Information and Electronic Transactions (State Gazette of the Republic of Indonesia of 2008 Number 58 Gazette of the Republic of Indonesia Number 4843);
 11. Law Number 14 of 2008 on Public Disclosure (State Gazette of the Republic of Indonesia of 2008 Number 61, Supplement to State Gazette of the Republic of Indonesia Number 4846);
 12. Law Number 20 of 2008 on Micro, Small and Medium Business (State Gazette of the Republic of Indonesia of 2008 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4866);
 13. Law Number 25 of 2009 on Public Services (State Gazette of the Republic of Indonesia of 2009 Number 112, Supplement to State Gazette of the Republic of

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- Indonesia Number 5038);
14. Law Number 32 of 2009 on Protection and Management of the Environment (State Gazette of the Republic of Indonesia of 2009 Number 147, Supplement to State Gazette of the Republic of Indonesia Number 5059);
 15. Law Number 39 of 2009 on Specific Economic Zones (State Gazette of the Republic of Indonesia of 2009 Number 147, State Gazette of the Republic of Indonesia Number 5066);
 16. Law Number 3 of 2014 on Industry (State Gazette of the Republic of Indonesia of 2014 Number 44, Supplement to State Gazette of the Republic of Indonesia Number 5492);
 17. Law Number 7 of 2014 on Trade (State Gazette of the Republic of Indonesia of 2014 Number 45, Supplement to State Gazette of the Republic of Indonesia Number 5512);
 18. Law Number 23 of 2014 on Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to The State Gazette of the Republic of Indonesia Number 5587) as already amended by Law Number 9 of 2015 (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to State Gazette of the Republic of Indonesia Number 5679);

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19. Government Regulation Number 79 of 2005 on Promotion and Supervision of Regional Government (State Gazette of the Republic of Indonesia of 2005 Number 165, Supplement to State Gazette of the Republic of Indonesia Number 4593);
20. Government Regulation Number 3 of 2007 on Organizing Report of Local Government to the Government, Accountability Report of Regional Head to the Regional Representatives Council, and Information on Organizing Reports of Regional Government to the Public (State Gazette of the Republic of Indonesia of 2007 Number 19, Supplement to State Gazette of the Republic of Indonesia Number 4693);
21. Government Regulation Number 41 of 2007 on Organization of Regional Apparatus (State Gazette of the Republic of Indonesia of 2007 Number 89, Supplement to the State Gazette of the Republic of Indonesia Number 4741);
22. Government Regulation Number 46 of 2007 on the Free Trade Zone and Free Port of Batam (State Gazette of the Republic of Indonesia of 2007 Number 107, Supplement to State Gazette of the Republic of Indonesia Number 4757) as amended by Government Regulation Number 5 of 2011 (State Gazette of 2011 Number 16, Supplement

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- to State Gazette of the Republic of Indonesia Number 5195);
23. Government Regulation Number 47 of 2007 on Free Trade Zone and Free Port of Bintan (State Gazette of the Republic of Indonesia of 2007 Number 108, Supplement to State Gazette of the Republic of Indonesia Number 4758);
 24. Government Regulation Number 48 of 2007 on Free Trade Zone and Free Port of Karimun (State Gazette of the Republic of Indonesia of 2007 Number 109, Supplement to State Gazette of the Republic of Indonesia Number 4759);
 25. Government Regulation Number 45 of 2008 on Guidelines for Providing Incentives Investment Facility in the Region (State Gazette of the Republic of Indonesia of 2008 Number 88, Supplement to State Gazette of the Republic of Indonesia Number 4861);
 26. Government Regulation Number 24 of 2009 on Industrial Estate (State Gazette of the Republic of Indonesia of 2009 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4987);
 27. Government Regulation Number 83 of 2010 on Government Authority Delegation to the Estate Board of Sabang (State Gazette of the Republic of Indonesia of

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- 2010 Number 143, Supplement to State Gazette of the Republic of Indonesia Number 5175);
28. Government Regulation Number 2 of 2011 on the Implementation of Specific Economic Zones (State Gazette of the Republic of Indonesia of 2011 Number 2, State Gazette of the Republic of Indonesia Number 5186);
29. Government Regulation Number 10 of 2012 on Treatment of Customs, Taxation and Expenditures To and From and Being in Region That Has Been Defined as Free Trade Zone and Free Port (State Gazette of the Republic of Indonesia of 2012 Number 17, Supplement to State Gazette of the Republic of Indonesia Number 5277);
30. Government Regulation Number 26 of 2012 on Specific Economic Zones of Tanjung Lesung (State Gazette of the Republic of Indonesia of 2012 Number 47, State Gazette of the Republic of Indonesia Number 5284);
31. Government Regulation Number 27 of 2012 on Environmental License (State Gazette of the Republic of Indonesia of 2012 Number 48, Supplement to State Gazette of the Republic of Indonesia Number 5285);
32. Government Regulation Number 29 of 2012 on Specific Economic Zones of Sei Mangkei (State Gazette of the

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Republic of Indonesia of 2012 Number 54, Supplement to State Gazette of the Republic of Indonesia Number 5287);

33. Government Regulation Number 31 of 2014 on Specific Economic Zones of Palu (State Gazette of the Republic of Indonesia of 2014 Number 105, Supplement to State Gazette of the Republic of Indonesia Number 5536);
34. Government Regulation Number 32 of 2014 on Specific Economic Zones of Bitung (State Gazette of the Republic of Indonesia of 2014 Number 106, Supplement to State Gazette of the Republic of Indonesia Number 5537);
35. Government Regulation Number 50 of 2014 on Specific Economic Zones of Morotai (State Gazette of the Republic of Indonesia of 2014 Number 144, Supplement to State Gazette of the Republic of Indonesia Number 5549);
36. Government Regulation Number 51 of 2014 on Specific Economic Zones of Tanjung Api-Api (State Gazette of the Republic of Indonesia of 2014 Number 145, Supplement to State Gazette of the Republic of Indonesia Number 5550);
37. Government Regulation Number 52 of 2014 on Specific Economic Zones of Mandalika (State Gazette of the Republic of Indonesia of 2014 Number 146, Supplement

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- to State Gazette of the Republic of Indonesia Number 5551);
38. Government Regulation Number 85 of 2014 on Specific Economic Zones of Maloy Batuta Trans Kalimantan (State Gazette of the Republic of Indonesia of 2014 Number 306, Supplement to State Gazette of the Republic of Indonesia Number 5611);
 39. Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Certain Business Sectors and/or in Certain Regions (State Gazette of the Republic of Indonesia of 2015 Number 77, Supplement to State Gazette of the Republic of Indonesia Number 5688);
 40. Presidential Regulation Number 90 of 2007 on Investment Coordinating Board as amended by Presidential Decision Number 86 of 2012 (State Gazette of 2012 Number 210);
 41. Presidential Regulation Number 33 of 2010 on National Board and National Council of Special Economic Zones, as amended by Presidential Decision Number 150 2014;
 42. Presidential Regulation Number 39 of 2014 on List of Closed and Opened Business Fields under Requirements in the Field of Investment (State Gazette 2014 Number 93);
 43. Presidential Regulation Number 97 of 2014 on

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Implementation of One Stop Services (State Gazette 2014 Number 221);

44. Regulation of Minister of Finance Number 176/PMK.011/2009 on Exemption from Import Duty on Imported of Goods and Materials and Machines For Construction or Industrial Development in the framework of Investment as amended by Regulation of Minister of Finance Number 76/PMK.011/2012;
45. Decision of The Chief of Indonesian National Police Number Skep/638/XII/2009 on the Delegation of Authority for Granting Business Licenses in the Field of Security Services in the Framework of the Implementation of One Stop Services in the Field of Investment to the Chairman of Investment Coordinating Board;
46. Regulation of Minister of National Education Number 8 of 2010 on Granting business licenses in the Field of Non-Formal Education and Education Supporting Services in the Framework of the Implementation of One Stop Services on Investment;
47. Regulation of Minister of Trade Number 27/M-DAG/PER/5/2012 on Provisions of Importer Identification Number (API), as amended by Regulation of Minister of Finance 59/M-DAG/PER/9/2012;

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48. Regulation of Minister of Agrarian and Spatial Planning/Head of National Land Agency Number 15 of 2014 on appointment of officials of the Ministry of Agrarian and Spatial/Head of National Land Agency to be assigned at One Stop Service of Investment Coordinating Board;
49. Regulation of Minister of Public Works and Housing Number 22 of 2014 on Delegation of Authority for granting Business License in the field of Public Works and Public Housing in the Framework of One Stop Services at the Investment Coordinating Board;
50. Regulation of Minister of Labour/Employment Number 25 of 2014 on Implementation of One Stop Service in the field of Employment at the Investment Coordinating Board;
51. Regulation of Minister of Energy and Mineral Resources Number 35 of 2014 on the Delegation of Authority for Granting Electrification Business License in the Framework of the Implementation of One Stop Services in the Field of Investment to the Chairman of the Investment Coordinating Board;
52. Regulation of Minister of Communication and Information Technology Number 40 of 2014 on Delegation of Authority for the Implementation of One Stop Services of

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- Communication and Information to the Chairman of Investment Coordinating Board;
53. Regulation of Minister of Education and Culture Number 69 of 2014 on Implementation of Non-formal Education License With Foreign Capital;
 54. Regulation of Minister of Health Number 93 of 2014 on Implementation of One Stop Services in the Health Sector at the Investment Coordinating Board;
 55. Regulation of Minister of Trade Number 96/M-DAG/PER/12/2014 on Delegation of Authority in Trade Sector in the Framework of One Stop Services to the Chairman of Investment Coordinating Board, as amended by Regulation of Minister of Trade Number 10/M-DAG/PER/1/2015;
 56. Regulation of Minister of Environment and Forests Number P.97/MENHUT-II/2014 on Delegation of Authority for granting Licensing and Non-licensing in the field of Environment and Forests in the Framework of the Implementation of One Stop to the Chairman of Investment Coordinating Board, as amended by Regulation of Minister of Environment and Forestry Number P.1/Menhut-II/2015;
 57. Regulation of Minister of Industry Number 122/M-IND/PER/12/2014 on Delegation of Authority for Granting

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the Licensing of Industrial Sector in the Framework of the Implementation of One Stop Services to the Chairman of Investment Coordinating Board;

58. Regulation of Minister of Finance Number 258/PMK.011/2014 on Implementation of One Stop Service in Finance sector at the Investment Coordinating Board;

59. Regulation of Minister of Agriculture Number 70/Permentan/PD.200/6/2014 on Guidelines for Granting the Business License of Horticulture Cultivation.

60. Decree of the Minister of Agriculture Number 1312/Kpts/KP.340/12/2014 on Delegation of Authority for granting the business licenses in the Agricultural Sector in the Framework of Investment to the Chairman of Investment Coordinating Board;

61. Regulation of Minister of Tourism Number 1 of 2015 on Amendment of Regulation of Minister of Tourism Number 2 of 2014 on Implementation of PTSP in Tourism and Creative Economy at the Investment Coordinating Board;

62. Regulation of Minister of Communications Number PM. 03 of 2015 on One Stop Services in Transportation sector at the Investment Coordinating Board;

63. Regulation of Minister of Marine Affairs and Fishery Number 3/PERMEN-KP/2015 of the Delegation of

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Authority for Granting business license in the field of fish farming Within the Framework of Implementation of Integrated One Stop Services To the Chairman of Investment Coordinating Board;

64. Regulation of Minister of Manpower Number 16 of 2015 on Procedures for the Use of Foreign Workers;
65. Regulation of Minister of Energy and Mineral Resources Number 23 of 2015 on Delegation of authority for granting license in the field of oil and gas in the framework of the implementation of integrated one-stop service to the Chairman of Investment Coordinating Board;
66. Regulation of Minister of Energy and Mineral Resources Number 25 of 2015 on Delegation of Authority for Granting Licenses in Mineral and Coal Mining Sector in the Framework of the Implementation of Integrated One Stop Services to the Chairman of Investment Coordinating Board;
67. Regulation of Minister of Finance of the Republic of Indonesia Number 66/PMK.010/2015 on exemption from import duty on Imported capital goods in the framework of construction or Power Generation Industry Development for Public Interest;
68. Regulation of Minister of Finance of the Republic of

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Indonesia Number 89/PMK.010/2015 on Procedures for Granting investment Facility in Certain Business Fields and/or In Certain Areas As well as the transfer of assets and sanctions for Domestic Corporate Taxpayers Provided Income Tax facilities;

69. Regulation of Minister of Finance of the Republic of Indonesia Number 159/PMK.010/2015 on Granting the Tax Reduction Incentives/Facility of Corporate Income;
70. Regulation of the Chairman of Investment Coordinating Board Number 90/SK/2007 on Organization and Work Procedures for Investment Coordinating Board as already amended by Regulation of the Chairman of Investment Coordinating Board Number 1 of 2011;
71. Regulation of the Chairman of Investment Coordinating Board Number 6 of 2011 on Implementation, Development, and Reporting of One Stop Services on Investment;
72. Regulation of the Chairman of Investment Coordinating Board Number 1 of 2014 on Delegation of Authority for Granting Principle License of Investment to the Chief of Administrator of Specific Economic Zones of Sei Mangkei;
73. Regulation of the Chairman of Investment Coordinating Board Number 2 of 2014 on Delegation of Authority for Granting Business License of investment to the Chief

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Investment of Administrator of Specific Economic Zone of Sei Mangkei;

74. Regulation of Investment Coordinating Board Number 4 of 2014 on Information Service System and Electronic Investment License;
75. Regulation of the Chairman of the Investment Coordinating Board Number 1 of 2015 on Delegation of Authority for granting principle business licenses to the Chief of Administrator of Specific Economic Zones of Tanjung Lesung;
76. Regulation of the Chairman of Investment Coordinating Board Number 2 of 2015 on Delegation of Authority for Granting Business License of Investment to the Chief of Administrator Specific Economic Zone of Tanjung Lesung;
77. Regulation of the Chairman of Investment Coordinating Board Number 14 of 2015 on Guidelines and Procedures for granting Principle Business License of Investment;
78. Regulation of the Chairman of Investment Coordinating Board Number 15 of 2015 on Guidelines and Procedures for Application for Licensing and Non-licensing of Investment;
79. Regulation of the Chairman of Investment Coordinating Board Number 16 of 2015 on Guidelines and Procedures for Granting Facility of Investment Services;

D E C I D E S:

To stipulate: REGULATION OF THE CHAIRMAN OF INVESTMENT COORDINATING BOARD ON GUIDELINES AND PROCEDURES FOR CONTROLLING OF INVESTMENT.

PART I

GENERAL PROVISIONS

Article 1

In this Regulation referred to as:

1. Investment means any form of investment activity, either by domestic Investors or foreign capital investment, to conduct business in all sectors of business within the territory of the Republic of Indonesia.
2. Domestic Investment hereinafter abbreviated to PMDN means investment activities to do business within the territory of the Republic of Indonesia by domestic Investors using domestic capitals.
3. Foreign Investment hereinafter abbreviated to PMA means investment activities to conduct business within the territory of the Republic of Indonesia by foreign capital investment, either using full foreign capital or establishing a joint

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venture with domestic investors.

4. Investors mean individuals or entities performing investment activities that can be either a domestic investor or foreign capital investment.
5. Domestic Investors mean Indonesian citizens, Indonesian business entities, the Republic of Indonesia, or regions that do investment within the territory of the Republic of Indonesia.
6. Foreign Investors mean foreign individuals, foreign business entities, and/or foreign governments that do Investment within the territory of the Republic of Indonesia.
7. Licensing means any form of approval for making o Investment issued by the Central Government, Local Government, Organizing Board of Free Trade Zone and Free Port, and Administrator of Specific Economic Zones, who has the authority in accordance with the provisions of legislation.
8. Non-licensing means any form of service facilities, fiscal facilities, and information on Investment, in accordance with the provisions of legislation.
9. Investment Principle License, hereinafter referred as Principle License means a license which shall be held to start a business.
10. Extension Principle License of Investment hereinafter

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referred Extension Principle License means a Principle License that shall be held by a company to initiate or start activities within the framework of the business expansion.

11. Amendment Principle License of Investment hereinafter referred to as Amendment Principle License means a principle license that shall be held a company, in order to legalize the amendment of plan or investment realization, which has been predetermined.
12. Principle License of Investment Company Merger hereinafter referred to as the Principle License of Company Merger means is a principle license that shall be held by a company resulted from the merger to implement the company business of merger proceeds.
13. Principle License means Principle License held by the Company under certain criteria set forth in Regulation of the Chairman of BKPM.
14. Business License means a license that shall be held by companies to begin or start the implementation of production/operations that produce goods or services, unless otherwise stipulated by legislation.
15. Extension Business License means a license that shall be held by the companies to begin the implementation of production/ operations that produce goods or services on the implementation of the business expansion, unless

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otherwise stipulated by legislation.

16. Extension License means a License that shall be held the companies to begin the implementation of production activities that produce goods or services for the implementation of the business expansion, especially for the industrial sector.
17. Amendment Business License means amendment license that shall be held by the companies, in order to legalize the amendment of investment realization which has been predetermined.
18. Business License of Company Merger means a license that shall be held by the company resulted from the merger in order to start the implementation of production/operations to produce goods or services.
19. Representative office License means a license for foreign companies that have a representative in Indonesia.
20. Representative office of Foreign Company hereinafter referred as KPPA means an office led by one or more foreign individuals citizens or Indonesia citizens appointed by foreign companies or foreign company merger at overseas as its representative in Indonesia.
21. Representative office of Foreign Trade Company hereinafter referred KP3A means an office headed by an foreign individual citizen or Indonesian citizens appointed by a

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foreign company or a foreign Joint venture at overseas as its representative in Indonesia.

22. Monitoring means an activity undertaken to monitor and evaluate the progress of Investment who has received Investment License.
23. Promotion/Coaching means the activity of guidance to Investors to realize its Investment and to facilitate the dispute resolution on the implementation of Investment.
24. Supervision means the efforts or activities undertaken to prevent and reduce any event of deviation from the provisions of implementation and the use of Investment facilities.
25. Control means the activities of monitoring, guidance, and supervision for the implementation of Investment accordance with the provisions of legislation.
26. One Stop Services hereinafter referred as PTSP, means an integrated service in a single process starting from the proposal up to the completion of service products through a single door.
27. PTSP Organizers mean the Central Government, Local Government, Organizing Board of Free Trade Zone and Free Port and Specific Economic Zone Administrator.
28. Central Government means President of the Republic of Indonesia who holds the power of government of the

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Republic of Indonesia who is assisted by a Vice President and the Ministers as referred to in the 1945 Constitution of the Republic of Indonesia.

29. Local Government means the head of region as an element of the regional administration which leads the implementation of government affairs under the authority of autonomous region.
30. Investment Coordinating Board hereinafter abbreviated to BKPM means a Non-Government Ministry being in charge of Investment headed by a chief who is directly responsible to the President.
31. Investment Coordinating Board and provincial Integrated One Stop Services, or the provincial government that is responsible for investment with other appropriate nomenclature in accordance with the regulations of legislation hereinafter referred to as provincial BPMPTSP mean an supporting element of regional heads within the framework of the administration of provincial government which organizes the main functions of coordination in the field of investment in provincial government.
32. Investment Board and Regency/City One Stop Service, or the Regency/city local government that is responsible for investment with other appropriate nomenclature in accordance with the regulations of legislation hereinafter

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referred to as Regency/City BPMPTSP mean a supporting element of regional heads within the framework of Regency/City governance which holds the main function of coordination in the field of Investment in regency/city governments.

33. Free Trade Zone and Free Port hereinafter referred to as KPBPB means an area that is within the jurisdiction of the Republic of Indonesia which is separated from areas that are free of the imposition of customs duties, value added tax, sales tax and excise tax on luxury goods.
34. Organizing Board of Free Trade Zone and Free Port hereinafter referred to as Organizing Board of KPBPB means central government institution/agency that is established by the Board of Zones with the duty and authority is to implement the management, development and construction of KPBPB.
35. Specific Economic Zones hereinafter referred to as KEK means a region with a certain extent within the territory of the Republic of Indonesia that is established to perform the functions of economy and acquire certain facilities.
36. Administrators of Specific Economic Zones hereinafter referred to as Administrator of KEK means part of the Board of Zone that are established for each SEZ to assist the Board of Zones for the implementation of KEK.

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37. Project mean business activities carried out by investors who have held investment Licensing from BKPM, Provincial BPMPTSP, Regency/City BPMPTSP, One Stop Services (PTSP) KPBPB, PTSP KEK, or an authorized agency.
38. Report on Investment Activity hereinafter referred to as LKPM means a report on the development of the investment realization and problems faced by the Investors that are required to be made and submitted periodically.
39. Minutes of Supervision hereinafter referred to as BAP means a report of field inspection on the implementation of the Investment.
40. Real activity means an activity that has been carried out by the company in implementing Investment, both administratively and physically.
41. Restriction means an administrative action that is performed by BKPM, Provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with the authority to restrict the company's business activities.
42. Suspension means administrative action that is performed by BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with the authority that resulted in the discontinuation of business activities and/or investment

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facilities for a while.

43. Cancellation means an administrative action that is performed by BKPM, provincial BPMPSTSP, regency/City BPMPSTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with the authority which resulted in the invalidity of the Investment License which is not realized in the form of real activity.
44. Revocation means an administrative action that is performed by BKPM, provincial BPMPSTSP, Regency/city BPMPSTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with its authority that resulted in the revocation of the existing Investment License which has performed Real activities and/or investment facilities.
45. Ministry/Government Institution of Non-Technical Ministry means Ministry/Government Institution of Non Ministry for Coaching sector.

CHAPTER II

PURPOSE, OBJECTIVES AND TARGETS

Article 2

- (1) The purposes of controlling the implementation of Investment are to carry out monitoring, guidance, and supervision of the implementation of Investment accordance

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with the rights, obligations and responsibilities of the Investor as well as the provisions of the legislation.

- (2) The purposes of controlling the implementation of the Investment are to:
- a. obtain data on the development of investment realization and information problems faced by the company;
 - b. carry out guidance and facilitation of the settlement of problems faced by the company; and
 - c. supervise the implementation of investment, use of fiscal and non fiscal facilities as well as follow up on the results of field inspection of the company.
- (3) Control target of the implementation of Investment is to achieve the investment realization in accordance with the provisions of legislation.

CHAPTER III

SCOPE

Article 3

- (1) Scope of the implementation of control of investment activities include:
- a. Monitoring the implementation of Investment;
 - b. Coaching the implementation of Investment; and

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- c. Supervising the implementation of Investment.
- (2) Scope of Investment License which becomes a basis of the implementation of investment control includes:
- a. Principle License, Investment License, Expansion Principle License and Amendment Principle License of Investment, Principle License of Company Merger;
 - b. Business License, Extension Business License, Extension License, Business License of Company Merger and Amendment License;
 - c. KPPA License;
 - d. KP3A License; and
 - e. Other license related to the implementation of Investment in accordance with the legislation.
- (3) Scope of Investment Non-licensing which becomes a basis of the implementation of investment control includes:
- a. Decision to grant exemption from import duty on imported machinery and/or goods and materials;
 - b. Import Realization report on Importer Identity Number (API);
 - c. Licenses to Employ Foreign Workers (IMTA); and
 - d. Other Non-license related to the implementation of investment in accordance with the legislation.

CHAPTER IV

RIGHTS, DUTIES AND RESPONSIBILITIES OF INVESTORS

CAPITAL

Article 4

Each Investor shall be entitled to:

- a. certainty of rights, law, and protection;
- b. open information regarding operation of business sector;
- c. service rights; and
- d. any forms of facilities in accordance with the provisions of legislation.

Article 5

Each Investor shall be obliged to:

- a. increase the competence of workers through providing training the Indonesian citizens through a training of works in accordance with the provisions of legislation;
- b. organizing training and transferring the technology to Indonesian workforce in accordance with legislation for companies that employ foreign labors/workers;
- c. applying for the principles of good corporate governance;
- d. implement corporate social responsibility;
- e. create and deliver LKPM;
- f. submit reports on realization of imported machinery and/or goods and materials;

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- g. submit reports on realization of importation based on API;
- h. respecting the cultural traditions of the local community around the location of investment business activities;
- i. comply with all provisions of legislation; and
- j. gradually allocate funds for the recovery of location that meets the environmental eligibility standards for companies that seek non-renewable natural resources, of which implementation is in accordance with the provisions of legislation.

Article 6

Each Investor shall be responsible for:

- a. guaranteeing the availability of capital derived from sources that are not contrary to the provisions of laws and regulations;
- b. bearing and settling all liabilities and losses if the Investors stop or abandon its business activities;
- c. creating a business climate of fair competition and prevent monopolistic practices;
- d. preserving the environment;
- e. creating safety, health, comfort and well-being of workers;
and
- f. complying with all the provisions of legislation.

CHAPTER V

ORGANIZING OF CONTROL FOR IMPLEMENTATION OF
CAPITAL INVESTMENT

Part One

Monitoring

Article 7

- (1) Implementation of the Investment Monitoring activity AS referred to in Article 3 paragraph (1) letter a is implemented by BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with its authority.
- (2) In case the central government requires the realization data of Investment in an area, BKPM may directly monitor Investment under the authority of the Provincial, Regency/City Government, Organizing Board of KPBPB or KEK Administrator.
- (3) Chairman of BKPM may delegate the implementation of monitoring activities under the authority of Central Government to the Governor through de-concentration.
- (4) Delegation of powers as referred to in paragraph (3) shall be determined by regulation of the Chairman of BKPM.

Part two

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Coaching

Article 8

- (1) Activity of Coaching to the Investment as referred to in Article 3 paragraph (1) letter b implemented by BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or in accordance with its authority.
- (2) Implementation of coaching activity as referred to in paragraph (1) is implemented in coordination with the competent technical authorities.
- (3) In case the Investment policy coaching set by the central government, BKPM can be directly implement the coaching to Investors.
- (3) In case the Investment policy coaching set by the Provincial Government, Provincial BPMPTSP, Regency/City BPMPTSP, Organizing Bard of KPBPB, or KEK administrator can immediately implement Coaching to Investors in accordance with its appropriate authority.
- (5) Implementation of technical coaching activities is carried out by the competent technical institutions that coach business areas in accordance with the provisions of legislation.

Part Three

Supervision

Article 9

- (1) Supervision as referred to in Article 3 paragraph (1) letter c is implemented by BKPM, Provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or KEK Administrator in accordance with its authority.
- (2) BKPM in performing the activities as referred to in paragraph (1) shall coordinate with provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, KEK Administrator, and competent technical institutions.
- (3) Provincial BPMPTSP in conducting the activities as referred to in paragraph (1) shall coordinate with Regency/City BPMPTSP, Organizing Board of KPBPB, KEK Administrator, and competent technical institutions.
- (4) Regency/City BPMPTSP in conducting the activities as referred to in paragraph (1) shall coordinate with the competent technical authorities.
- (5) Organizing Board of KPBPB in conducting the activities as referred to in paragraph (1) shall coordinate with BKPM, provincial BPMPTSP, Regency/city BPMPTSP, and competent technical institutions.
- (6) KEK Administrator in performing the activities as referred to in paragraph (1) may coordinate with BKPM, Provincial BPMPTSP, Regency/City BPMPTSP, and competent technical

institutions.

Part Four

Implementation of Control

Article 10

- (1) In certain cases, BKPM can directly conduct Monitoring, Development and Supervision of Investment under the authority of the Provincial Government, Regency/City Government, Organizing Board of KPBPB or KEK administrator.
- (2) In certain cases, provincial BPMPTSP may immediately perform monitoring, coaching, and supervision over the activities of Investment under the authority of Regency/City Government, Organizing Board of KPBPB or KEK Administrator.
- (3) Certain matters as referred to in paragraph (1) and (2) include:
 - a. any application from the authorized Ministry/Agency;
 - b. application for assistance from the local government in the framework of guidance, supervision and consultancy with implementation of government affairs in the field of Investment;
 - c. environmental pollution that endanger public safety;
 - d. complaints from public community; or

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- e. complaint from Investors.

CHAPTER VI

PROCEDURES FOR MONITORING

Article 11

- (1) Implementation of Investment Monitoring activity as referred to in Article 3 paragraph (1) letter a is held against investment either in the construction stage (stage of development) or Investment which has produced production/commercial operation (has business license).
- (2) Monitoring activities are conducted through the collection, verification, and evaluation of investment realization data contained in LKPM submitted by the company.
- (3) LKPM as referred to in paragraph (2) shall be submitted in accordance with the Investment License held by the company.

Article 12

- (1) Company has obtained investment License, shall prepare and submit periodic LKPM as referred to in Article 11 paragraph (2) and submitted to BKPM, provincial BPMPTSP, Regency/City BPMPTSP, and to the Organizing Board of KPBPB if the project location is in the region of KPBPB or KEK Administrator if the Project site is located in KEK.

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(2) Submission of LKPM by the companies as referred to in paragraph (1) with the following conditions:

a. companies are still in the construction phase (construction stage) shall submit LKPM every 3 (three) months (quarterly) using the form of LKPM as contained in Appendix I which is an integral part of this Regulation, the reporting period shall be as follows:

1. Quarterly Report I is submitted no later than on the 10th of April of the year concerned;
2. Quarterly Report II is submitted at the latest on the 10th of July of year concerned;
3. Quarterly Report III is submitted at the latest on the 10th of October of the year concerned; and
4. Quarterly Report IV is submitted at the latest on the 10th of January of the year concerned.

b. companies in performing production/commercial operation (has business license) shall prepare and submit LKPM every 6 (six) months (SEM) using LKPM form as contained in Appendix II which is an integral part of this Regulation, the reporting period shall be as follows:

1. Reports of Semester I is submitted at the latest on the 10th of July of the year concerned; and
2. Reports of Semester II is submitted at the latest on

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the 10th of January of the year concerned.

- (3) The Company has an obligation to prepare and submit LKPM for the first time on the implementation of Investment in the next quarter from the date of issuance of Investment License.
- (4) The Company has more than one (1) line of business and/or located in more than 1 (one) regency/city in one (1) Investment license, shall prepare and submit LKPM for each line of business and/or location of the project (each regency/city).
- (5) Submission of LKPM at BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK administrator as referred to in paragraph (1) shall be performed in the network (online) through SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is no possibility to submit online.
- (6) For the purpose of submitting LKPM online, the company shall apply for access to BKPM through SPIPISE, if companies do not yet have the access.

Article 13

- (1) KPPA shall submit the activity report every end of a year f to the BKPM using the report form as contained in Appendix III which is an integral part of this Regulation.

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- (2) KP3A shall submit report on its activities every six (6) months to BKPM as contained in Appendix III which is an integral part of this Regulation.
- (3) The reports as referred to in paragraph (1) and (2) are submitted to BKPM online through SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is no possibility to submit online.

Article 14

- (1) BKPM, provincial BPMPTSP, Regency/city BPMPTSP, organizing board of KPBPB or KEK administrator conduct verification and evaluation of investment realization data set out in LKPM on Investment License.
- (2) Verification and evaluation of LKPM as referred to in paragraph (1) shall include:
 - a. company information;
 - b. Licensing and Non-licenses which have been held;
 - c. realization of investment and capital;
 - d. realization of machines and/or goods and materials;
 - e. Employment of labor;
 - f. production and marketing;
 - g. export values for companies that sell to abroad;
 - h. liability company listed in Capital Investment License or provisions of laws and regulation;

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- i. problems faced by the company.
- (3) In conducting verification and evaluation of LKPM as referred to in paragraph (2), BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK Administrator may apply for an explanation from the company or ask for correction of LKPM if there are errors or doubts in the submitted data.
 - (4) The results of the data verification and evaluation of the realization of investment contained in LKPM which has been approved as referred to in paragraph (1) is kept in the database of SPIPISE (<http://nswi.bkpm.go.id>);
 - (5) Data storage of LKPM online as referred to in paragraphs (4) by BKPM, provincial BPMPTSP, Regency/city BPMPTSP, Organizing Board of KPBPB, or KEK Administrator is carried out under the following conditions:
 - a. LKPM in the construction stage (stage of development) that submitted by the company as referred to in Article 12 paragraph (2) letter a, is kept for the longest time of:
 1. On the 15th of April of the year concerned for Quarterly Report I;
 2. On the 15th of July of the year concerned for Quarterly Report II;
 3. On the 15th of October of the year concerned for

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Quarterly Report III; and

4. On the 15th of January of the year concerned for quarterly Report IV.

b. LKPM in implementing production/commercial operation (has business license) submitted the company as referred to in Article 12 paragraph (2) b, is submitted at the latest:

1. On the 15th of July of the year concerned for report semester I; and

2. On the 15th of January of the year concerned for report semester II.

(6) BKPM compiles the Investment realization data nationally based on the registration data of LKPM online as referred to in paragraph (5).

(7) The compilation as referred to in paragraph (6) shall be submitted to the public at the latest:

a. On the 30th of April of the year concerned for Quarterly Report I;

b. On the 31th of July of the year concerned for Quarterly Report II and semester I;

c. On the 31th of October of the year concerned for Quarterly Report III; and

d. On the 31th of January of the next year for Quarterly Report IV and Semester II.

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- (8) For Regency/city BPMPTSP that have not been able to perform online storage of the LKPM as referred to in paragraph (3), may:
- a. coordinate with the Provincial BPMPTSP to ask for assistance; and/or
 - b. perform data compilation of Investment realization for the regency/city, and present the results of compilation and recording of LKPM submitted by companies to the provincial BPMPTSP, no later than two (2) working days after the deadline for submission of LKPM by the company.
- (9) For Organizing Board of KPBPB or KEK administrator that has not been able to verify and evaluate the LKPM as referred to in paragraph (4), may:
- a. coordinate with the BKPM to ask for assistance; and/or
 - b. perform data compilation of investment realization for the region of KPBPB and KEK, and submit the results of data compilation to BKPM, no later than two (2) working days after the deadline for submission the LKPM by the company.
- (10) Provincial BPMPTSP perform online storage for Investment which is the authority of the Provincial Government and the investment realization data of the compilation results conducted by Regency/City BPMPTSP as referred to in

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paragraph (8) letter b.

(11) The implementation of assistance as referred to in paragraph (8) letter a and paragraph (9) letter a can be done by providing guidance and consultation for the verification and evaluation as well as recording of LKPM online.

(12) For the purpose of keeping LKPM online as referred to in paragraph (4), Provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK administrator asks for access to BKPM.

Article 15

(1) The Company has got exemption from import duty for machines and/or goods and materials as referred to in Article 3 paragraph (3) letter a, shall submit a report to BKPM on import realization no later than 7 (seven) days after the realization of import.

(2) Deadline of 7 (seven) days after the import as referred to in paragraph (1) is 7 (seven) days after the submission of Declaration of Imported Goods (PIB) received an Approval Letter of Expenditures by local officials/officers of the Directorate General of Customs and Excise.

(3) Submission of import realization report as referred to in paragraph (1) by using the form as contained in Appendix

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IV which is an integral part of this Regulation.

- (4) Submission of import realization report to BKPM as referred to in paragraph (1) kept or stored online through SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is no possibility to keep online.

Article 16

- (1) Companies that have received Importer Identity Numbers (API) from BKPM as referred to in Article 3, paragraph (3) letter b, shall submit a report to BKPM on import realization both in terms of realized or not realized, under the reporting period as follows:
- a. Quarterly Report I submitted at the latest on the 10th of April of the year concerned;
 - b. Quarterly Report II submitted at the latest on the 10th of July of the year concerned;
 - c. Quarterly Report III submitted at the latest on the 10th of October of the year concerned; and
 - d. Quarterly Report IV submitted at the latest on the 10th of January of the following year.
- (2) Submission of import realization report as described in paragraph (1) by using the form as contained in Appendix V, which is an integral part of this Regulation.
- (3) Submission of import realization report as referred to in

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referred to in paragraph (1) is done online through <http://inatrade.kemendag.go.id> and SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is no possibility to submit online.

Article 17

- (1) BKPM prepares:
 - a. Cumulative report of the implementation of Investment nationally every 3 (three) months and submitted to the President and the related Ministry/organization;
 - b. recapitulation of import realization based API periodically every 3 (three) months to the Minister of Trade, using the form as contained in Annex VI which is an integral part of this Regulation (regarding: company name, API number, number of values that are imported in US Dollar); and
 - c. recapitulation of import realization of machines and/or goods and materials that get exemption from import duty of BKPM every 6 (six) months (1 semester) to the Minister of Finance through the fiscal policy agency by using the form as contained in Appendix VII which is an integral part of this Regulation.
- (2) The Provincial BPMPTSP prepares a cumulative report on the implementation of Investment in the province every 3

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- (three) months and submitted to the governor following with a copy submitted to BKPM.
- (3) Regency /City BPMPSTSP prepares a cumulative report on the implementation of Investment in the regency/city every 3 (three) months and submitted to the Regent/Mayor following with a copy to the governor.
- (4) Organizing Board of KPBPB or KEK administrator prepares a cumulative report on the implementation of Investment in the region of KPBPB or KEK every 3 (three) months and submitted to BKPM following with a copy submitted to the governor.
- (5) Cumulative reports referred to in paragraph (1) letter a, paragraph (2), (3) and (4) shall be submitted using the format as contained in Appendix VIII which is an integral part of this Regulation.

CHAPTER VII

PROCEDURES FOR COACHING/GUIDANCE

Article 18

Coaching activities as referred to in Article (3) of paragraph (1) letter b shall be implemented through:

- a. coaching of socialization or workshop or technical coaching or investment dialogue regarding provisions on the

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- implementation of Investment and/or technical control of the implementation of Investment;
- b. providing consultation on the control of the implementation of Investment in accordance with the provisions of laws and regulations;
 - c. facilitating the completion of problems faced by Investors in the realization of Investment.

Article 19

- (1) Companies that have received the Investment Licensing shall fulfill all the technical requirements listed in its Investment Licensing.
- (2) The Company shall conduct its operations in accordance with laws and regulations.
- (3) In order to prevent/avoid and reduce indications of deviations from the obligation to fulfill the technical requirements and other obligations in accordance with laws and regulations, companies must have an understanding of the legislation in the field of Investment generally and particularly in the business sector.
- (4) In order to meet the needs of Investors of information on applicable legislation, the Central Government regularly conducts coaching/guidance of socialization and consultation on the implementation of provisions of Investment

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according to the business sector.

Article 20

- (1) In case the investment companies facing problems in realizing its investment during a time schedule that has been set in the Investment license, a company may include the problems in the form of LKPM.
- (2) The problems faced by the company as referred to in Article 18 letter c can be reported separately with LKPM, addressed to the Head of Regency/city BPMPTSP, Organizing Board of KPBPB, KEK Administrator, Head of provincial BPMPTSP, or the Head of BKPM cq. The Deputy of Investment Implementation Control.
- (3) Based on the problems/issues report from the Investment Company, Regency/city BPMPTSP or Organizing Board of KPBPB or KEK administrator or provincial BPMPTSP or BKPM facilitate the settlement of problem as referred to in paragraph (2), through:
 - a. identification and verification of issues;
 - b. coordination with the competent technical authorities;
 - c. communication with the results of facilitating the settlement of problem to related parties.
- (4) In order to implement the facilitation of the settlement of problem as referred to in paragraph (3), Regency/City

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BPMPTSP or Organizing Board of KPBPB or KEK Administrator or provincial BPMPTSP or BKPM may hold a meeting by inviting companies and related technical institutions to obtain clarification and further information and alternative dispute resolution.

CHAPTER VIII

PROCEDURES FOR SUPERVISION

Article 21

- (1) Supervision as referred to in Article 3, paragraph (1) c is carried out through making inspection to the location of Investment Project, as a follow up of:
 - a. evaluation of the implementation of Investment based existing Licensing and Non-licensing;
 - b. indications of irregularities on the implementation of the provisions of Investment or non-fulfillment of the obligations and responsibilities as referred to in Articles 5 and 6; or
 - c. granting exemption from import duty of machines and/or goods and materials, and non-fiscal (employment).
- (2) Supervision referred to in paragraph (1) can be implemented with the involvement of the competent

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technical authorities in order to conduct:

- a. examination of the implementation of provisions of Investment as stated in the requirements of Principle Licenses, Investment License, Extension Principle License, Amendment Principle License, principle license of Company Merger, Business License, Extension License, Amendment Business License, Business License of Company Merger, KPPA License, KP3A License and other Licensing related to the implementation of Investment accordance with laws and regulations/ (legislation);
 - b. inspection to the use of exemption from import duty of machines and/or goods and materials, in accordance with the purpose of the facility.
- (3) In order to evaluate the implementation of Investment as referred to in paragraph (1) and (2), Regency/city BPMPTSP or Organizing Board of KPBPB or Provincial BPMPTSP or KEK Administrator or BKPM may call the company to ask for an explanation and further information.
- (4) In providing explanations and information as referred to paragraph (3) the company must provide an explanation and clear and correct information.
- (5) Supervision as referred to in paragraph (1) may be implemented by the Ministry/Government Institution of Non

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Technical Ministry and coordinate with of BKPM.

Article 22

- (1) Supervision mechanism to the site/location of the Project as referred to in Article 21 is performed in a coordinated manner with prior notice to the company.
- (2) Notice to the company as referred to in paragraph (1) no later than 5 (five) working days prior to the implementation of Monitoring using a letter form as contained in Appendix IX which is an integral part of this Regulation.
- (3) The management/responsible person of company in the Project site shall provide explanations and information clearly and correctly in associated with the object of Supervision.
- (4) Supervision Results of the Project site stated in the Minutes (BAP) signed by the examiner and management/responsible person of the company.
- (5) In case are found indications of deviations/violations of the implementation of Investment Licensing, Supervision can be carried out without prior notification to the company.

CHAPTER IX

MINUTES OF SUPERVISION

Article 23

- (1) Minutes (BAP) prepared as a form of inspection results to the location/site of Investment projects inclusive of among others:
- a. evaluation of the implementation of Licensing and Non-licensing of which investment is made conducted by BKPM, provincial BPMPTSP, Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator;
 - b. application process for cancellation and revocation of the Investment Project conducted by BKPM, provincial BPMPTSP, Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator;
 - c. application process for Cancellation or revocation of Investment projects submitted to BKPM, by:
 1. provincial BPMPTSP to the project under authority of the Government which is located in more than one regency/city;
 2. Regency/City BPMPTSP for the Project under the authority of Government which is located in the regency/city;
 - d. application process for cancellation of Investment Project submitted to the Provincial BPMPTSP, Regency/City BPMPTSP for the Project which is the authority of the Provincial Government located in the

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- regency/city;
- e. follow-up to the finding of the earliest evidences of irregularities committed by the company against the provisions of legislation;
 - f. follow-up within the framework of service process for Investment Licensing if required by the provisions of legislation;
 - g. imposition process and cancellation of sanctions.
- (2) Preparation of Minutes (BAP) is performed at the Project location and implemented in a coordinated manner between BKPM and/or provincial BPMPTSP and/or Regency/City BPMPTSP and/or Organizing Board of KPBPB and/or KEK Administrator with the Related Agencies, and signed by the management/responsible person of the companies and officials who conduct the inspection.
- (3) Form of Minutes (BAP) as referred to in Article 22 paragraph (4) is contained in Appendix X which is an integral part of this Regulation.
- (4) Officials who perform the inspection as referred to in paragraph (2) is accompanied with a letter of assignment as contained in Appendix XI which is an integral part of this Regulation, and signed:
- a. BKPM by Regional Director related to the Deputy Unit of the Control of Investment Implementation;

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- b. Provincial BPMPTSP by the Head of the Provincial BPMPTSP;
 - c. Provincial/City BPMPTSP by the Head of Regency/City BPMPTSP;
 - d. KPBPB by the Head of Organizing Board of KPBPB;
 - e. KEK by KEK Administrator.
- (5) Official conducting inspection of the Related Government Agencies as referred to in paragraph (2) may be derived from:
- a. Ministry/Government Institution of Non-Technical Ministry to provide coaching/guidance the business field;
 - b. he Ministry of Manpower;
 - c. Ministry of Environment and Forestry;
 - d. Ministry of Agrarian and Spatial Planning/National Land Agency
 - e. Directorate General of Immigration;
 - f. Directorate General of Taxation;
 - g. Directorate General of Customs and Excise;
 - h. Organizing Board of KPBPB;
 - i. KEK Administrator;
 - j. Ministry/Government Institution of Non Other Technical Ministry
- (6) Officials conducting the inspection of the Related

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Government Agencies as referred to in paragraph (2) to provincial or district/city or KPBPB or KEK, may be derived from:

- a. service offices/regional technical agencies that provide coaching/guidance of the business field;
- b. taxation authorities in the region;
- c. customs agencies in the region;
- d. agency/land office in the region;
- e. Immigration agencies in the region;
- f. police agencies in the region;
- g. service offices/other relevant technical agency.

(7) BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK Administrator notify the related Government Agency as referred to in paragraph (5) and (6) on the implementation plan of Project inspection no later than five (5) days prior to the date of inspection, except in case of urgency.

CHAPTER X

PROCEDURES FOR CANCELLATION OF INVESTMENT LICENSING

Article 24

(1) BKPM, provincial BPMPTSP, Regency/city BPMPTSP, Organizing Board of KPBPB, or KEK Administrator, perform

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Cancellation of the issued Investment Licensing which are not realized in the form of real activities and/or commit a certain and urgent offenses.

(2) For the Investment Licensing issued by BKPM, and at present has become the authority of Provincial or Regency/City Government or Organizing Board of KPBPB or KEK Administrator, Cancellation for Investment Licensing is performed by provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator under its appropriate authority.

(3) Real activity as referred to in paragraph (1) administratively may be in the form of :

- a. certificate of incorporation and its legalization;
- b. tax identification number (TIN);
- c. location permit;
- d. lease agreements of land/buildings;
- e. facility approval of import duty on imported capital goods;
- f. importer identification number-producer (API-P);
- g. planned use of foreign labor/workers (RPTKA);
- h. building construction permit (IMB);
- i. interference permit (Permit of UUG)/HO or certificate of business domicile (SITU); and/or
- j. Other licensing under regulation of legislation.

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- (4) Real activity as referred to in paragraph (1) in physical form is an activity that has been carried out inclusive of among others:
- a. land acquisition/business location;
 - b. construction/building lease/ factory or office/business location;
 - c. importation of machines and/or domestic purchase of machinery.
- (5) Certain and urgent offenses as referred to in paragraph (1), inclusive of the occurrence of damages to the environment and/or endangers the safety of community that impact of cross-regional or cross-country, Cancellation of investment Licensing carried out without a prior warning.
- (6) Application/proposal for Cancellation of Investment Licensing may be submitted by:
- a. Company at BKPM or provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB, or KEK administrator as issuer of investment Licensing;
or
 - b. Company at Provincial BPMPTSP or Regency/city BPMPTSP or Organizing Board of KPBPB, or KEK administrator of which Investment Licensing issued by BKPM and has recently become the authority of the Provincial or Regency/city Government or Organizing

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Board of KPBPB or KEK Administrator; or

- c. Proposed Cancellation of provincial BPMPTSP or Regency/City BPMPTSP from the Investment Coordinating Board for investment Licensing issued by BKPM and is currently under the authority of the Central Government;
 - d. Proposed Cancellation of Regency/city BPMPTSP at the Provincial BPMPTSP for Investment Licensing issued by Regency/City BPMPTSP and is currently under the provincial authority.
- (7) Form of cancellation application for Investment Licensing as referred to in paragraph (6) letter a and b, is contained in Appendix XIII, which is an integral part of this Regulation.
- (8) Completion of Cancellation application data for Investment Licensing as referred to in paragraph (6) letter a and b shall be submitted following with the conditions as follows:
- a. For those who have not been incorporated, filed with the completeness of data in the form of:
 - 1. application affixed with sufficient stamp-duty and signed by all prospective shareholders as stated in the issued Investment Licensing;
 - 2. copy of Principle License;
 - 3. copy of identity of all prospective shareholders as stated in the issued Investment Licensing;

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4. LKPM of the last period submitted online;
 5. sufficiently stamped power of attorney for handling applications that are not done/submitted directly by the board of directors and has no right of substitution, as contained in Appendix XII which is an integral part of the regulation accompanied by a copy of its identity.
- b. For a company that has a business license that still performs its operation, but has no other principle license which is not realized in a real form may be filed with the cancellation by submitting with the following data in the form of:
1. application form affixed satisfactory stamp-duty and signed by the board of directors;
 2. the cancelled original principle license;
 3. General Meeting of Shareholders' Resolution (GMS)/statement of the company's shareholders;
 4. copy of board of directors' identities
 5. copy of TIN;
 6. LKPM of the last period submitted online;
 7. copy of company's certificate of incorporation and amendments accompanied by an approval of the competent authority;
 8. sufficiently stamped power of attorney for handling

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applications that are not made directly by the board of directors and has no right of substitution as contained in Appendix XII which is an integral part of the regulation accompanied by a copy of his identity.

(9) Data completion for the proposed Cancellation as referred to in paragraph (6) c and d in the form of:

- a. the proposed cancellation of Investment Licensing, signed by the Head provincial BPMPTSP or the Head of Regency/city BPMPTSP or the Head of Organizing Board of KPBPB or Head of KEK Administrator;
- b. BAP of the Project.

(10) Form of the proposed Cancellation of Investment Licensing as referred to in paragraph (6) c and d, are contained in Appendix XIV which is an integral part of this Regulation.

(11) Upon the application/the proposed proposal cancellation as referred to in paragraph (6), Deputy of investment Implementation Control on behalf of the Chairman of BKPM or Head of Provincial BPMPTSP or Head of Regency/City BPMPTSP or Head of Organizing Board of KPBPB, or KEK Administrator, within three (3) working days shall issue the Cancellation of Investment Licensing, under its appropriate authorities after the file is declared as complete and correct.

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- (12) Form of cancellation of Investment Licensing as referred to in paragraph (11) contained in Appendix XV which is an integral part of this Regulation.
- (13) Application for Cancellation as referred to in paragraph (6) letter a and b, the company may apply online through SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is possibility to submit online at BKPM or provincial BPMPTSP or District/City BPMPTSP or Organizing Board of KPBPB, or KEK Administrator.
- (14) For the purpose of applying for cancellation online, the company shall apply for access to BKPM through SPIPISE, if companies do not yet have the access rights.
- (15) For the purpose of issuing Cancellation services online as referred to in paragraph (13), BKPM grants access rights to the company, provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB, or KEK Administrator.

CHAPTER XI

PROCEDURES FOR REVOCATION OF INVESTMENT LICENSING

Article 25

- (1) BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB, or KEK Administrator, revoke the Investment Licensing that has been implemented in the

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form of real activity both administrative as referred to in Article 24 paragraph (3) and/or physical as referred to in Article 24 paragraph (4) and/or certain and urged violations referred to in Article 24 paragraph (5).

(2) For Investment Licensing issued by BKPM but now has become the authority of the Provincial or Regency/City Government or Organizing board of KPBPB, or KEK Administrator, then Revocation of Investment Licensing Investment is conducted by provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB, or KEK Administrator KEK under its appropriate authority.

(3) Revocation of Investment Licensing carried out by:

- a. application of the company;
 - b. proposal of the provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB or KEK Administrator or to BKPM for Investment Licensing issued by BKPM, or issued by provincial BPMPTSP and now is under the authority of Central Government;
 - c. proposal of Regency/city BPMPTSP on Provincial BPMPTSP for Investment Licensing issued by Regency/City BPMPTSP and not is under the provincial authority;
 - d. a court decision which has had permanent legal force;
- or

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- e. Revocation proposal of the Ministry/Government Institution of Non-Technical Ministry.
- (4) Application form of Investment Licensing by companies as referred to in paragraph (3) a contained in Appendix XVI which is an integral part of this Regulation.
 - (5) Proposal form of the Investment Licensing Revocation by the Provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB or KEK Administrator, as contained in Appendix XVII which is an integral part of this Regulation.
 - (6) Revocation of Investment Licensing conducted based on the reasons as referred to in paragraph (3) a, filed with the date completeness as follows:
 - a. For the companies who have/hold more than one business license or the principle license that there has been really realized, the application for license revocation, is filed with the data completeness in the form of:
 - 1. Application affixed with sufficient stamp-duty signed by the board of directors or their proxies;
 - 2. General Meeting of Shareholders' Resolution (GMS), which states the approval of Investment Licensing Revocation;
 - 3. Copy of certificate of incorporation of Company and

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its amendments accompanied by approval of the competent authority;

4. LKPM of the last period submitted online;
 5. copy of TIN;
 6. The original principle license or business license in accordance with application of revocation;
 7. sufficiently stamped power of attorney for handling applications that are not done directly by the board of directors and has no substitution rights, as contained in Appendix XII which is an integral part of the regulation accompanied by a copy of his identity; and
 8. copy of board of directors' identities who signed the application.
- b. For companies that in the framework of liquidation or just have a business license or Principle License that has been really realized, filed with the date completeness in the form of:
1. Application affixed with sufficient stamp-duty signed by the board of directors or the person who has been appointed as a liquidator in the event of dissolution or liquidation, whose name is stated in the General Meeting of Shareholders (GMS);
 2. General Meeting of Shareholders' Resolution

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- (GMS), which states the approval of investment Licensing revocation or dissolution of the company;
3. copy of recording of the company dissolution of the Ministry of Justice and Human Rights;
 4. copy of certificate of incorporation of company and its amendments accompanied by approval of the competent authority;
 5. LKPM of the last period submitted online;
 6. copy of TIN (Tax Identification Number);
 7. Original principle license or business license which has been held;
 8. sufficiently stamped power of attorney for handling applications that are not made directly by the board of directors or liquidators, and has no substitution rights, as contained in Appendix XII which is an integral part of this regulation accompanied by a copy of his identity;
 9. copy of board of directors' identities who signed the application.

(7) Revocation of Investment Licensing made based on the reasons as referred to in paragraph (3) b, c, and e is followed with:

- a. The proposed Revocation of Company Investment signed by the Head of Provincial BPMPTSP or

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Regency/City BPMPTSP or Head of Organizing Board of
KPBPB or Head of KEK administrator;

- b. BAP of the Project.
- (8) Revocation of investment Licensing made based on the reasons as referred to in paragraph (3) letter d, processed based on a court decision that has had permanent legal force.
- (9) Revocation of Investment Licensing that do not have business licenses made based on the reasons as referred to in paragraph (3) shall be issued by the Deputy of Investment implementation control on behalf of the Chairman of BKPM, Head of Provincial BPMPTSP, Head of Regency/City BPMPTSP, Head of Organizing Board of KPBPB, or Head of KEK Administrator based on its authority within a period of 5 (five) working days after the file is declared as complete and correct.
- (10) Revocation of Investment Licensing who has had a business license is based on the reasons as referred to in paragraph (3) shall be issued by the Deputy of Investment Implementation Control to the Chairman of BKPM on behalf of the Technical Minister, Head of the Provincial BPMPTSP, Head of Regency/city BPMPTSP, Head of Organizing Board of KPBPB, or Head of KEK Administrator based its authority within a period of 5 (five) working days after the file is

Authorized Translation

declared as complete and correct.

(11) Form of revocation as referred to in paragraph (9) and (10) is contained in Appendix XVIII which is an integral part of this Regulation.

(12) A application for revocation as referred to in paragraph (3) letter a, the company may apply online through SPIPSE (<http://nswi.bkpm.go.id>) or manually in case there is possibility online at BKPM or provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB, or KE Administrator.

(13) For the purpose of applying for revocation online, the company shall apply for access right to the BKPM, for companies that do not have access rights.

(14) For the purpose of services for issuing Revocation online as referred to in paragraph (13), BKPM grants access right to the company, provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB, or KEK Administrator.

CHAPTER XII

PROCEDURES FOR CLOSURING KPPA, KP3A AND ITS BRANCH
OFFICE OF FOREIGN INVESTMENT COMPANY OR DOMESTIC
INVESTMENT COMPANY

Article 26

Authorized Translation

- (1) BKPM closes KPPA and KP3A.
- (2) Provincial BPMPTSP closes the Branch office OF PMA or PMDN which are located in its territory.
- (3) Application/ proposal of closure as referred to in paragraph (1) and (2) filed by:
 - a. KPPA to the chairman of BKPM;
 - b. KP3A to the Chairman of BKPM;
 - c. Branch offices of Foreign Investment Company or Domestic Investment Company to the Provincial BPMPTSP in accordance with position/domicile of branch offices.
- (4) Application for closure as referred to in paragraph (3) letter a, b, and c can be submitted to BKPM online through SPIPISE (<http://nswi.bkpm.go.id>) or manually in case there is no possibility to submit online.
- (5) For the purpose of winding up, as referred to in paragraph (4) is made online the company shall apply for access right to BKPM, for the companies that have no access rights.
- (6) Data Completion of application for closure as referred to in paragraph (3) letter a in the form of:
 - a. application for closure signed by the board of directors of the company from its headquarters in the country of origin or representative offices/other party who have no substation right to include a sufficiently stamped power

Authorized Translation

of attorney from the board of directors of headquarters in the country of origin;

- b. KPPA original license;
- c. copy of IMTA for the WNA (foreign citizen) Representative and KTP (ID) for the Chief Representative of WNI (Indonesian citizen);
- d. A sufficient stamped statement of the Chief Representative concerned that states have no accounts payable with other parties;
- e. copy of board of directors' identities who notify the closure and the Chief of Representative;
- f. KPPA report of the last period.

(7) Data Completeness for winding KP3A referred to in paragraph (3) b in the form of:

- a. application for closure signed by board of directors of the company from its headquarters in the country of origin or head of representative offices/other party that have no substitution right to include a power of attorney affixed sufficient stamp-duty of the board of directors of the headquarters in the country of origin;
- b. original business license of KP3A;
- c. copy of IMTA to the Chief Representative for WNS and ID for the Chief Representative of WNI;
- d. a sufficient stamped statement of the Chief

Authorized Translation

Representative concerned that states to have no accounts payable with other parties;

- e. copy of TDP;
- f. copy of the board of directors' identities of headquarter who notify the closure/suspension of business operations and Chief Representative;
- g. copy of receipt of payment of the security deposit; and
- h. KP3A report of the last period.

(8) Data completeness for winding up the branch offices of PMA and PMDN companies as referred to in paragraph (3) letter c in the form of:

- a. for winding up a branch office of the board of directors of the company;
- b. original license/letter of the opening of branch office;
- c. certificate of domicile of the company branch office;
- d. copy of certificate of incorporation and its amendment;
- e. copy of identity of company board of directors who signed the application;
- f. a sufficiently stamped power of attorney for handling applications that are not made directly by the board of directors and has no right of substitution, as contained in Appendix XII which is an integral part of this Regulation.

(9) Application form for the closure of KPPA and KP3A as

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referred to in paragraph (3) letter a and b are contained in Appendix XIX which is an integral part of this Regulation.

(10) Application form for the closure of Branch office of Foreign Investment Company or Domestic Investment as referred to in paragraph (3) letter c as contained in Appendix XX which is an integral part of this Regulation.

(11) Form of closure of KPPA and KP3A as referred to in paragraph (3) a and b is contained in Appendix XXI which is an integral part of this Regulation.

(12) Form of closure of branch offices and foreign and domestic companies (PMA and PMDN) as referred to in paragraph (3) c, contained in Appendix XXII which is an integral part of this Regulation.

(13) Upon application for KPPA closure as referred to in paragraph (3) letter a, Deputy of Investment Implementation Control on behalf of the Chairman of BKPM, within a period of three (3) working days shall issue a Closure of KPPA.

(14) Upon the application for KP3A closure as referred to in paragraph (3) b, Deputy of Investment Implementation Control to the Chairman of BKPM on behalf of the Minister of Trade, within a period of three (3) working days shall issue the Closure of KP3A.

(15) Upon the application for the closure of Branch office of

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Foreign Investment Company or Domestic Investment Company, Head of the Provincial BPMPTSP shall issue a Closure of Branch offices of Foreign Investment Company or Domestic Investment Company.

Chapter XIII

COSTS

Article 27

- (1) Investors are not charged in the activities of Investment implementation control carried out by BKPM, provincial BPMPTSP, Regency/city BPMPTSP, Organizing Board of KPBPB or KEK Administrator.
- (2) Costs required by the BKPM officials and officials of the related technical institutions or the activities of Investment implementation control charged to the State Budget.
- (3) Costs required by provincial BPMPTSP or Regency/city BPMPTSP and officials of relevant agencies in the region for the activities of investment implementation control are charged to the respective Local Budget.
- (4) Costs required a Organizing Board of KPBPB, KEK Administrator for the activities of investment implementation control are charged to the budget of Organizing Board of KPBPB or KEK administrator.

Chapter XIV

SANCTIONS

Article 28

BKPM or provincial BPMPTSP or regency/city BPMPTSP or Organizing Board of KPBPB or KEK administrator in accordance with the Licensing and Non-licensing of Investment which has been issued may impose administrative sanctions on companies that:

- a. does not comply with the obligations and responsibilities as referred to in Articles 5 and 6;
- b. Deviation to:
 1. Licensing and Non-licensing of Investment; or
 2. the provisions of Investment implementation including the facility of exemption from import duty of imported machines and/or goods and materials, and non-fiscal (employment) which has been given.
- c. has commercial produced but have no a business license.

Article 29

Administrative sanctions as referred to in Article 28 are charged by submitting:

- a. Written warning and/or online warnings;
- b. Restrictions on business activities;

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- c. Suspension of business activities and/or facilities of Capital investment; or
- d. Cancellation/revocation of Investment Licensing and/or operations and/or investment facilities.

Article 30

- (1) Administrative sanctions in the form of a written warning as referred to in Article 29 letter a subject to the company three (3) times in successive, with a grace period of one (1) month after the issuance of previous warning.
- (2) A written warning as referred to in paragraph (1) shall be issued by the Regional Director of the Deputy Unit of Investment Implementation Control, Head of the Provincial BPMPTSP, Regency/City BPMPTSP, Head of Organizing Board of KPBPB, or Head of KEK Administrator based on its authority.
- (3) A form of written warning as referred to in paragraph (1), contained in Appendix XXIII, which is an integral part of this Regulation.

Article 31

- (1) In case of urgent condition, imposition of administrative sanctions can be provided in the form of the first and the last warning.

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- (2) The urgent condition as referred to in paragraph (1) includes:
- a. the company fails to submit the Report on Investment Activity during the issued period of project completion and no extension of the period of the Project completion;
 - b. the existing report of the competent technical institution and/or agencies on violations of laws and regulations.
- (3) Administrative sanction in the first and the last written warning as referred to in paragraph (1) is charged to the company, and provided a grace period of 1 (one) months as of the date of issuance to response it.
- (4) Form of the first and the last warnings as referred in paragraph (1), contained in Appendix XXIV which is an integral part of this Regulation.

Article 32

- (1) Administrative sanction in the form of restriction of business activities as referred to in Article 29 letter b may be imposed if, within 1 (one) month after the issuance of the third written warning as referred to in Article 30 paragraph (1), the company does not response/execute the written warning.

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- (2) Restrictions on business activities as referred to in paragraph (1) may be in the form of:
 - a. Restrictions on business activities in one or several locations for companies that have Projects in several locations;
 - b. Restrictions on production capacity.
- (3) Form of Restrictions on business activities as referred to in paragraph 1 is contained listed in Appendix XXV which is an integral part of this Regulation.
- (4) In the event that the company has made efforts to remedy, the company may apply for the cancellation of restrictions on the business activities to BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK Administrator shall issue a restriction of business activities by using form as contained in Appendix XXVI which is an integral part of this Regulation.
- (5) BKPM, provincial BPMPTSP, Regency/city BPMPTSP, Organizing Board of KPBPB or KEK administrator shall issue a restriction of business activities, and within a period of three (3) working days after preparing Minutes (BAP) shall issue for the cancellation of restrictions on business activities.
- (6) Form of the letter of cancellation of Restrictions on business activities as referred to in paragraph (5) is contained in

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Appendix XXVII which is an integral part of this Regulation.

- (7) The letter of Restriction on business activities as referred to in paragraph (1) and the cancellation of restrictions on business activities as referred to in paragraph (5) issued by the Director of the Deputy Unit of Investment Implementation Control on behalf of the Chairman of BKPM, the head of Provincial BPMPTSP, head of Regency/city BPMPTSP, Head of Organizing Board of KPBPB, or KEK Administrator based on its authority.

Article 33

- (1) Administrative sanction in the form of suspension of business activity and/or facilities can be imposed if the investment within a period of 1 (one) month after the restriction of business activities as referred to in Article 32 paragraph (1), the company fails to give a response/implement sanctions of Restrictions on business activities.
- (2) Suspension of business activity and/or facility investment as referred to in paragraph (1) can be in the form of:
- a. suspension of some activities at the Project site/place of business;
 - b. suspension of some business areas for the company which has several businesses;

Authorized Translation

- c. suspension of the Investment facility which has been granted to the company;
 - d. application for an extension of imported machinery and/or goods and materials is not served/responded;
 - e. application for changing the master list of imported machinery and/or goods and materials is not served/responded;
 - f. application for Licensing or Non-licensing of Investment is not served/responded.
- (3) Form of suspension on business activities as referred to in paragraph (1) is contained in Appendix XXVIII which is an integral part of this Regulation.
- (4) Form of suspension on Investment facility as referred to in paragraph (2) is contained in Appendix XXIX which is an integral part of this Regulation.
- (5) In the event that the company has made efforts to remedy, the companies can apply for cancellation of business activity suspension, investment facility suspension at BKPM, provincial BPMPTSP, Regency/City BPMPTSP, Organizing Board of KPBPB or KEK Administrator as referred to in paragraph (3) and (4) issued the investment facility suspension using letters as stated in Appendix XXX which is an integral part of this Regulation.
- (6) BKPM, provincial BPMPTSP, Regency/City BPMPTSP, or KEK

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administrator issuing the letter of business activity suspension and/or the letter of Investment Facility Suspension within a period of three (3) working days after preparing Minutes (BAP), issues the cancellation of business activity suspension and/or investment facilities.

- (7) Business activity suspension for the companies that receive investment facility issued by provincial BPMPTSP, Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator shall be notified to the BKPM.
- (8) Application for cancellation of business activity suspension as referred to in paragraph (5) is prepared Minutes (BAP).
- (9) Letter form of cancellation for business activity suspension and/or investment facility as referred to in paragraph (6) is contained in Appendix XXXI which is an integral part of this Regulation.
- (10) Business activity suspension and/or investment facility as referred to in paragraph (1) and the cancellation of business activity suspension and/or investment facility as referred to in paragraph (6) issued by the Director of the Deputy Unit of Investment Implementation Control on behalf of BKPM, the head of Provincial BPMPTSP, the head of Regency/City BPMPTSP, Organizing Board of KPBPB, or head of KEK Administrator based on its authority.

Article 34

- (1) Administrative sanction in the form of cancellation/revocation of Investment Licensing and/or operations and/or the Investment facility as referred to in Article 29 letter d may be imposed to the companies that:
- a. fail to give a written response on the efforts of remedy in the period of 1 (one) month as of the issuance of business activity suspension and/or the Investment facility as referred to in Article 33 paragraph (1);
 - b. commits an offense and has received a court decision which has had permanent legal force;
 - c. follow-up to the third written warning as referred to in Article 30 paragraph (1);
 - d. follow-up on the first and the last written warning as referred to in Article 31 paragraph (1); or
 - e. based on the proposal of the competent technical authorities in accordance with Minutes of Supervision which states that the company has committed a breach of legislation.
- (2) BKPM, provincial BPMPTSP, Regency/city BPMPTSP, Organizing Board of KPBPB or KEK administrator shall issue a decision on cancellation/revocation of Investment Licensing and/or operations and/or the Investment facility in accordance with their authority.

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- (3) The cancellation/revocation of business activity for the companies that receive investment facility issued by provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator shall be notified to the BKPM.
- (4) The cancellation/revocation of Investment Licensing is performed based on the reasons as referred to in paragraph (2) shall be issued by the Head of provincial BPMPTSP, Head of Regency/City BPMPTSP, Head of Organizing Board of KPBPB, or Head of KEK Administrator based on its authority within a period of three (3) working days for the Cancellation of Investment Licensing after the submission is declared as complete and correct and 5 (five) working days the Revocation of Investment Licensing after the file/submission is declares as complete and correct.
- (5) The letter form of Cancellation/Revocation as referred to in paragraph (4) as contained in Appendix XV and XVIII which is an integral part of this Regulation.

Article 35

For the purpose of the imposition of administrative sanctions for the company violations of, BKPM or provincial BPMPTSP or Regency/City BPMPTSP or Organizing Board of KPBPB or KEK administrator, may ask other agencies in the central government

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or local government to provide supporting evidences for violations committed by the company and can be followed with legal considerations.

CHAPTER XV

OTHER PROVISIONS

Article 36

- (1) The company with its headquarter locates outside the location area of the Project shall appoint a responsible person/company representatives at the project site upon the following duties and functions:
- a. representing the companies in associated with the implementation of Investment activity;
 - b. provide the necessary information including LKPM.
- (2) Appointment of the responsible person/company representatives at the project site shall be notified to BKPM by using the form as contained in Appendix XXXII which is an integral part of this Regulation.

CHAPTER XVI

FINAL PROVISIONS

Article 37

Upon the enactment of this Regulation, Regulation of the Investment Coordinating Board Number 3 of 2012 on Guidelines

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and Procedures for Investment Implementation Control is revoked and declared invalid.

Article 38

This Regulation comes into force:

- a. for central PTSP at BKPM on October 26, 2015; and
- b. for provincial BPMPTSP, Regency/city BPMPTSP, PTSP KPBPB, and PTSP KEK not later than 90 (ninety) days from the date of enactment.

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For the purpose of public knowledge, instruct the Enactment of this Regulation by putting placement in the official Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On September 29, 2015

CHAIRMAN OF INVESTMENT COORDINATING BOARD
REPUBLIC OF INDONESIA,
Sgn.
FRANKY SIBARANI

Enacted in Jakarta

October 8, 2015

DIRECTOR GENERAL OF REGULATION OF LEGISLATION
MINISTRY OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA

Sgn.

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA OF 2015 NUMBER 1481

Certified true copy

Senior Secretary of BKPM

Head of Legislation Bureau,

Public Relation and Administration of Chairman

Stamped and signed

Ariesta R. Puspasari

AFFIDAVIT

This is to certify that have translated the foregoing from Indonesia to English, that is true and complete, and I am competent in both languages.

Jakarta, 09 November 2015

