

# Regulation Summary - March 2025

## General Corporate

### 1. Regulation of the Government No. 10 of 2025 on the Organization and Governance of Badan Pengelola Investasi Daya Anagata Nusantara

Enforcement Date: 24 February 2025

Summary:

- This Regulation establishes Badan Pengelola Investasi Daya Anagata Nusantara ("**Danantara**"), which will now assume responsibility for State-Owned Enterprises (*Badan Usaha Milik Negara* – "**BUMN**") and the optimization of their investments, as mandated under Law No. 1 of 2025 on the Third Amendment to Law Number 19 of 2003 on State-Owned Enterprises. As a government-owned entity, Danantara will serve as a strategic investment partner in line with the ultimate goal of enhancing Indonesia's investment climate and attracting investment. In addition, the president will subsequently delegate specific BUMN-related duties to Danantara.
- Danantara comprises two main organs, specifically the Supervisory Board ("**Dewan Pengawas**"), which is responsible for the oversight of operations, and the Implementing Body ("**Badan Pelaksana**"), which is responsible for the management of daily activities. Dewan Pengawas includes government representatives and other appointed members, while Badan Pelaksana will be led by professionals. This Regulation also establishes an Advisory Council (*Dewan Penasihat*) and allows for the president to form an oversight and accountability committee in order to ensure good governance.
- Danantara will manage BUMN dividends, oversee capital participation and also collaborate with the Minister of BUMN in order to establish investment and operational holdings. Danantara also has authority over asset management, loans and financial oversight.

## Banking

2. Circular of the Deposit Insurance Agency No. SE-1/ADK1/2025 on Guidelines and the Format for the Preparation of and Procedures for the Submission of Reports on Customer-Based Deposit Guarantee Data of Commercial Banks

Enforcement Date: 1 July 2025

Summary:

- This Circular requires all commercial banks to submit Single Customer View (“**SCV**”) data reports to the Deposit Insurance Agency, which should comprise periodic SCV data reports and occasional SCV data reports.
- The procedures for the submission of the above-mentioned SCV data reports encompass electronic submission through the information system provided by the Deposit Insurance Agency or via an integrated reporting portal (if available) or other means determined by an authorized agency or institution. Said procedures are comprehensively outlined under the Appendix to this Circular.

**3. Circular of the Deposit Insurance Agency No. SE-2/ADK1/2025 on Guidelines and the Format for the Preparation of and Procedures for the Submission of Reports on Customer-Based Deposit Guarantee Data of Rural Banks and Sharia Rural Banks**

Enforcement Date: 7 February 2025

Summary:

- This Circular requires People’s Economic Banks (*Bank Perekonomian Rakyat* – “**BPR**”) and Sharia People’s Economic Banks (*Bank Perekonomian Rakyat Syariah* – “**BPRS**”) to submit Single Customer View (“**SCV**”) data reports to the Deposit Insurance Agency, which should comprise periodic SCV data reports and occasional SCV data reports.
- The procedures for the submission of the above-mentioned SCV data reports encompass electronic submission through the information system provided by the Deposit Insurance Agency or via an integrated reporting portal (if available) or other means determined by an authorized agency or institution. Said procedures are comprehensively outlined under the Appendix to this Circular.

**4. Circular of the Deposit Insurance Agency No. SE-3/ADK1/2025 on Guidelines and the Format for Placements of Proof of Participation and Announcements of Deposit Guarantee Information and Self-Assessment Reports of Deposit Guarantee Bank Participants**

Enforcement Date: 7 February 2025

Summary:

- This Circular requires banks to: 1) Display proof of membership, as determined by the Deposit Insurance Agency (*Lembaga Penjamin*

- Simpanan* – “**LPS**”), in all bank offices or other locations; 2) Display announcements of deposit guarantee information regarding the deposit guarantee interest rate determined by LPS and the maximum value of deposits guaranteed by LPS in all bank offices and other locations; and 3) Carry out their own assessments of bank compliance.
- Online submissions of reports on the results of self-assessments should be completed via the e-Report system every two years in line with a submission deadline of June 30.
  - Reports on the results of self-assessments should be submitted for the first time by a deadline of 30 June 2025 for the 2025 assessment period. Further details on the applicable format and procedural guidelines are comprehensively outlined under the Appendix to this Circular.

## 5. Circular of the Financial Services Authority No. 2/SEOJK.03/2025 on the Minimum Capital Provision Obligation and Minimum Core Capital Compliance for People’s Economic Banks

Enforcement Date: 11 March 2025

Summary:

- The Circular no longer mandates a minimum capital provision of 12% of Risk-Weighted Assets (*Aset Tertimbang Menurut Risiko* – “**ATMR**”) for people’s economic banks (*Bank Perekonomian Rakyat* – “**BPR**”) in line with certain periods. While maintaining the applicable core and supplementary capital components, various primary core capital and supplementary capital details have now been revised. Notably, supplementary capital now includes general calculations of asset quality ratings (*Penyisihan Penilaian Kualitas Aset* – “**PPKA**”) up to a maximum amount of 1.25% of ATMR, replacing the previous allowance for write-offs of productive assets (*Penyisihan Penghapusan Aset Produktif* – “**PPAP**”).
- The Circular has also updated the calculation components for ATMR, expanding the list of assets and increasing the maximum risk weight percentage to 150%. New classifications include securities issued by regional governments, abandoned property and equity participation, while some asset categories have been removed altogether. It should also be noted that all calculations must be undertaken in line with the format provided under the Appendix to the Circular.
- Profit distribution restrictions exclude operational incentives for directors and commissioners, provided that these are budgeted and accounted for as expenses. The various administrative sanctions that could be imposed in response to any failure to meet the minimum core capital requirement have also now been removed. Banks must report the use of fixed and donated assets through an online reporting application, including proof of use and supporting administrative documents. Approval applications for additional capital deposits and core or supplementary capital adjustments are also required to follow relevant financial authority mechanisms.

## 6. Draft Circular of the Financial Services Authority on the Application of Internal Audit Functions by Rural Banks and Sharia Rural Banks

Enforcement Date: -

Summary:

- This Draft Circular outlines various requirements for the implementation of the internal audit function by Rural Banks (*Bank Perekonomian Rakyat* – “**BPR**”) and Sharia Rural Banks (“**BPRS**”) and covers a wide array of aspects that include: 1) General internal audit policy; 2) Organizational structure of the internal audit function; 3) Implementation of internal audits; and 4) Application for the reporting of internal audits.
- Pursuant to this Draft Regulation, any BPR and BPRS with core capital of at least Rp. 50 billion will be required to establish internal audit units (*Satuan Kerja Audit Intern* – “**SKAI**”), while other BPR and BPRS that do not meet this threshold must appoint internal audit executive officials. In this regard, internal auditors must operate independently of operational functions, while governance structures must support objective auditing processes.
- In terms of the implementation of internal audits, this Draft Regulation outlines three core auditing activities, specifically: 1) Planning (i.e. drafting of working audit plans and audit notifications); 2) Audit implementation (fieldwork); and 3) Monitoring of audit output follow-ups.
- Internal audit findings must be reported to the members of the relevant board of directors and board of commissioners, as well as to the relevant authorities. Reports should encompass risk assessments, audit findings and recommendations for corrective actions. Moreover, the Financial Services Authority (Otoritas Jasa Keuangan/OJK) mandates periodic reviews and external assessments in order to ensure the overall effectiveness of audits.

## 7. Draft Circular of the Financial Services Authority on the Application of Internal Audit Functions by Rural Banks and Sharia Rural Banks

Enforcement Date: -

Summary:

- Rural Banks (*Bank Perekonomian Rakyat* – “**BPR**”) and Sharia Rural Banks (“**BPRS**”) must independently implement the compliance function in order to ensure their adherence to applicable Regulations, including compliance with sharia principles. This function encompasses preventive actions aimed at aligning policies, systems and business activities with prevailing laws and commitments made to the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”).

- The Draft Circular stipulates that all members of boards of directors will be held responsible for fostering a compliance culture, with a designated board member being responsible for the oversight of the compliance function. Depending on their levels of core capital, BPR and BPRS with at least Rp. 50 billion in core capital will be required to establish dedicated independent compliance units. Meanwhile, any other BPR and BPRS that do not meet this capital threshold will alternatively be required to appoint an executive compliance official.
- BPR and BPRS are required to prepare and submit periodic reports on the implementation of the compliance function. These reports should address the duties of the compliance executive (i.e. information on human resources, implementation of training, supervisory findings and compliance with regulatory commitments). In addition, special reports must be prepared if any policy deviations or business-threatening issues are identified and these must be submitted within 10 working days.

## Capital Market

### **8. Regulation of the Commodity Futures Trading Regulatory Agency No. 2 of 2025 on the Second Amendment to Regulation of the Commodity Futures Trading Regulatory Agency No. 3 of 2019 on Commodities That May Be Used as Underlying Assets for Futures Contracts, Sharia Derivative Contracts and/or Other Derivative Contracts Traded Through Futures Exchanges**

Enforcement Date: 4 March 2025

Summary:

- This Regulation has now expanded the list of commodities that may be used as underlying assets for futures contracts, derivative contracts, sharia derivative contracts and/or other derivative contracts that are traded through futures exchanges, as originally addressed under Regulation of the Commodity Futures Trading Regulatory Agency No. 3 of 2019 on Commodities That May Be Used as Underlying Assets for Futures Contracts, Sharia Derivative Contracts and/or Other Derivative Contracts Traded Through Futures Exchanges (“**Regulation 3/2019**”) to include silver and nickel as mining and energy sector commodities.
- 9. Circular of the Commodity Futures Trading Regulatory Agency No. 124/BAPPEBTI/SE/02/2025 on Adjusted Licensing Service Processing Through the Warehouse Receipt System and Commodity Auction Market Sector to Achieve Budget Management Effectiveness**

Enforcement Date: 28 February 2025

Summary:

- In order to ensure budget management effectiveness, as well as to improve the overall quality of licensing services, this Circular stipulates that certain licensing service processes that previously required face-to-face meetings and/or physical presence may now be completed online. In this regard, licensing requirements, such as mechanisms, documents and/or information, may be adjusted in accordance with online processing requirements. However, if any other requirements are adjusted, then the relevant technical units will provide written notifications to the relevant applicants.
- It should be noted that any licensing service processes that were initiated prior to the issuance of this Circular will remain valid but will continue to be processed in line with the provisions outlined under the Circular.

**10. Circular of the Board of Directors of the PT Bursa Efek Indonesia No. SE-00002/BEI.ANG/02-2025 on Procedures for the Submission of Reports by Stock Exchange Members**

Enforcement Date: 3 March 2025

Summary:

- The submission of reports to the stock exchange by stock exchange members will be carried out electronically through the IDX Portal system, which can be accessed via the [www.idxportal.co.id](http://www.idxportal.co.id) website or through other media. Further provisions that address these matters are listed under the Appendix to this Circular.
- This Circular also revokes Circular of the Board of Directors of the Indonesia Stock Exchange No. SE-00005/BEI/09-2019 on Procedures for the Submission of Reports in the Form of Electronic Documents and/or Electronic Data by Stock Exchange Members.

**11. Circular of the PT Bursa Efek Indonesia Board of Directors No. SE-00002/BEI.PBI/03-2025 on Securities Transaction Fees for the Alternative Market Organizer System (SPPA)**

Enforcement Date: 10 March 2025

Summary:

- This Circular introduces a new set of repo transaction fees for the Alternative Market Organizer System (*Sistem Penyelenggara Pasar Alternatif* – “**SPPA**”) that will apply to the following types of transactions: 1)

Direct quotations; 2) Requests for quotations; and 3) Quotation confirmation requests (requests for orders). It should be noted that these new fees will apply per SPPA service user (buyer) and SPPA service user (seller) on a per-transaction basis and do not cover clearing and settlement fees.

- Additionally, a correction fee of Rp. 25,000 and a cancellation fee of Rp. 50,000 will apply to each SPPA service user who holds a Repo position and each SPPA service user who holds a Reverse Repo position for every corrected or cancelled transaction. The aforementioned fees will come into effect on 1 January 2026.

## **12. Decree of the PT Bursa Efek Indonesia Board of Directors No. KEP-00001/BEI/03-2025 of 2025 on the Amendment to the Regulation on Securities Trading Through the Alternative Market Organizer System (SPPA).**

Enforcement Date: 10 March 2025

Summary:

- As of 10 March 2025, the trading hours for repo transactions that are conducted through the Alternative Market Organizer System (*Sistem Penyelenggara Pasar Alternatif/SPPA*) will run from 09:00 until 16:00. However, at a date that will subsequently be determined by the Indonesia Stock Exchange through an official announcement, the applicable trading hours will be revised so that they run from 08:00 until 16:00.

# **Employment**

## **13. Regulation of the Government No. 7 of 2025 on Revised Work Accident Insurance Contributions for Certain Types of Labor-Intensive Industrial Companies for 2025**

Enforcement Date: 7 February 2025

Summary:

- Certain types of labor-intensive industrial companies that employ at least 50 workers and that are registered as active participants in the Social Security Agency for Employment (*Badan Penyelenggara Jaminan Sosial Ketenagakerjaan/BPJS Ketenagakerjaan*) program are now entitled to enjoy leniency from the government in terms of their work-accident insurance (*Jaminan Kecelakaan Kerja – “JKK”*) contributions. This contribution leniency initiative is applicable during the February - July 2025

contribution period, while labor-intensive companies eligible to enjoy this leniency encompass entities that operate in the following types of industries: 1) Food, beverages and tobacco; 2) Textiles and ready-made clothing; 3) Leather and leather goods; 4) Footwear; 5) Children toys; and 6) Furniture.

- The above-mentioned JKK contribution leniency has been set at a rate of 50% of the full contributions in line with the relevant industries' levels of occupational risk. As such, the currently applicable JKK contributions (based on workers' monthly wages) break down as follows: 1) Very low risk: 0.12% (previously 0.24%); 2) Low risk: 0.27% (previously 0.54%); 3) Moderate risk: 0.445% (previously 0.89%); 4) High risk: 0.635% (previously 1.25%); and 5) Very high risk: 0.87% (previously 1.74%).
- In addition to the above-listed adjusted rates, this Regulation has also now restructured the applicable JKK contributions under the unemployment insurance (*Jaminan Kehilangan Pekerjaan* – “**JKP**”) program. Similar to the above-listed contribution leniency, the restructured JKK contributions for JKP benefits (based on workers' monthly wages) are also based on the relevant industries' levels of occupational risk, which break down as follows: 1) 1) Very low risk: 0.12%; and 2) Low, moderate, high and very high risk: 0.14%.

#### **14. Circular of the Minister of Manpower No. M/3/HK.04.00/III/2025 on the Granting of the 2025 Religious Holiday Bonus to Drivers and Couriers Working for App-Based Transportation Services**

Enforcement Date: 11 March 2025

Summary:

- In an effort to ensure the protection and welfare of all drivers and couriers who are working for app-based transportation services, this Circular urges application-based companies to provide a religious holiday bonus to officially registered online drivers and couriers by no later than seven days prior to the 2025/1446 H Eid Al-Fitr holiday period.
- It should be noted that this religious holiday bonus should be granted to all productive and high-performing online drivers and couriers and should amount to 20% of their average net monthly incomes over the past 12 months. Meanwhile, online drivers and couriers who do not meet the aforementioned criteria will remain eligible to receive said religious holiday bonus in accordance with the financial capacities of the relevant companies.

#### **15. Circular of the Minister of Manpower No. M/2/HK.04.00/III/2025 on the Granting of the 2025 Religious Holiday Allowance to Company Employees/Workers**

Enforcement Date: 11 March 2025



Summary:

- This Circular affirms that all company employees/workers are entitled to receive a religious holiday allowance (*Tunjangan Hari Raya* – “THR”) if they meet the following criteria: 1) Have been working continuously for a minimum period of one month; 2) Have a working relationship with the relevant employers based on Work Agreements for Specific Timeframes (*Perjanjian Kerja Waktu Tertentu/PKWT*) or Work Agreements for Unspecified Timeframes (*Perjanjian Kerja Waktu Tidak Tertentu/PKWTT*).
- Moreover, this Circular mandates that THR must be paid in full to all employees/workers who meet the above criteria at least seven days prior to the religious holiday. Meanwhile, said THR should be calculated through the following calculation formulas: 1) For employees/workers who have been employed continuously for at least 12 months: THR is set at one month's salary of the relevant employee/worker; or 2) For employees/workers who have been employed for less than 12 months but who have been employed continuously for at least one month: length of employment in months divided by 12 multiplied by one month's salary.
- Meanwhile, for employees/workers such as freelance workers or those receiving output-based wages, the THR amount should be calculated based on either the average wage received during the 12 months prior to the religious holiday or the monthly wage received during the relevant employment period.

**16. Decree of the Minister of Manpower No. 46 of 2025 on the Stipulation of Indonesian National Qualification Levels for Occupational Health and Safety for the Lifting and Transportation Aircraft Sector**

Enforcement Date: 10 March 2025

Summary:

- This Decree stipulates the Indonesian national qualification framework for occupational health and safety for the lifting and transportation aircraft sector, which comprises the following levels: 1) Level 3 Operation; 2) Level 3 Rigging; 3) Level 4; 4) Level 5; and 5) Level 7. These levels will be implemented for the following purposes: 1) Education and training; 2) Competence certification; 3) Development of human resources; and 4) Acknowledgement of qualification equality.
- The above-described national qualification framework is outlined comprehensively in the Appendix to this Decree. It should also be noted that each qualification level will apply to different occupational positions and will be subject to the fulfillment of certain competence units and working roles. Moreover, the national qualification framework will be subject to processes of review every five years or at any time that such reviews are required.

## **17. Draft Circular of the Financial Services Authority on Work Competency Certification for Insurance Companies, Guarantee Institutions, Pension Funds and Specialized Institutions Operating Within the Insurance, Guarantee and Pension Fund Sector**

Enforcement Date: -

Summary:

- The Draft Circular outlines the obligation of insurance companies, guarantee institutions and pension funds to employ human resources from insurance companies, guarantee institutions, pension funds and specialized institutions within the insurance, guarantee and pension fund sector and to improve the overall quality of human resources through the following methods: 1) Work competency certification for the insurance, guarantee and pension fund sector; 2) Competency certification for other sectors; and 3) Other competency enhancement programs.
- Said competency development must refer to Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* – “**SKKNI**”) that are applicable within the insurance, guarantee and pension fund sector, as set by Professional Certification Institutions (*Lembaga Sertifikasi Profesi* – “**LSP**”) that have registered with the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”).
- However, it should be noted that any work competency certificates that were secured prior to the issuance of the Draft Circular will remain valid, provided that they were issued by LSP registered with the OJK, industry/professional associations operating within the relevant fields or other parties appointed by the OJK. Meanwhile, any associations or other parties that were engaging in work competency certification but were not registered with the OJK prior to the issuance of the Circular must comply with OJK Regulations on LSP that apply within the Financial Services Sector.

# **Energy**

## **18. Regulation of the Government No. 9 of 2025 on Levy Amounts and the Utilization of Levies for Business Entities Engaging in Oil-and-Gas Business Activities under the Downstream Oil-and-Gas Regulatory Agency**

Enforcement Date: 8 March 2025

Summary:

- While maintaining levies on the supply, distribution and transportation of oil-fuels (*Bahan Bakar Minyak* – “**BBM**”) and natural gas via pipelines, this new

framework has now revised the applicable levy structure from a tiered percentage system to an updated version that follows a fixed tariff approach. The updated levy tariff now breaks down as follows: 1) For BBM: fixed tariff of 0.25% of realized monthly sales volumes per BBM type multiplied by the applicable sales price; and 2) For gas transportation: fixed tariff of 2.50% of the transportation tariff per Million Standard Cubic Feet (MSCF) multiplied by realized monthly volumes of transported natural gas.

- In addition to extending the levy payment deadline from the 15<sup>th</sup> to the 25<sup>th</sup> of the following month, this new framework now mandates that businesses must draft and submit monthly electronic reports. Regulation 9/2025 has also now refined verification processes, the handling of excess payments and late payment penalties in order to bring these areas into line with various Regulations on non-tax state revenue (*Penerimaan Negara Bukan Pajak/PNBP*).
- Regulation 9/2025 maintains similar enforcement mechanisms to the previous framework but has now revised late payment penalties and collection procedures. The new framework has also now clarified the consequences of overdue payments, including the revocation of business licenses after 24 months of non-payment.

#### **19. Regulation of the Minister of Energy and Mineral Resources No. 4 of 2025 on the Business and Utilization of Biofuels**

Enforcement Date: 25 February 2025

Summary:

- While maintaining Biodiesel (B100) and Bioethanol (E100) on the official list of biofuels (*Bahan Bakar Nabati – “BBN”*) permitted for utilization, the new framework of Regulation 4/2025 has now incorporated the following forms of BBN onto the list: 1) Biohydrocarbon Diesel (D100); 2) Bioavtur (J100); and 3) Other types of BBN, as further stipulated by the Minister. Furthermore, Regulation 4/2025 has redefined BBN utilization activities, as originally outlined under the previous framework, through the inclusion of specific categories of both commercial and non-commercial activities relating to BBN.
- In addition to further specifying which commercial activities BBN businesses are permitted to engage in (i.e. purchasing, sales, processing, marketing, transportation, storage and exports), the new framework of Regulation 4/2025 now prohibits the importation of BBN. Moreover, Regulation 4/2025 has also expanded the list of BBN business obligations by incorporating at least 12 additional obligations (e.g. submission of data/reports on BBN management, ensuring the accuracy of all utilized equipment and measurement systems and so forth).
- The new framework of Regulation 4/2025 has now classified activities that specifically relate to the utilization of BBN into the following categories: 1) Direct utilization of BBN (for non-commercial purposes, as undertaken by relevant direct users of BBN); and 2) Mixtures of BBN and oil fuel (*Bahan*

*Bakar Minyak* – “**BBM**”) (for commercial purposes, as undertaken by BBM businesses). In terms of the mixtures outlined in point (2) above, Regulation 4/2025 addresses the various BBM types and specifications that are permitted to be mixed with BBN.

## **20. Regulation of the Minister of Energy and Mineral Resources No. 5 of 2025 on Guidelines for Electrical Power Sale and Purchase Agreements for Power Plants That Utilize Renewable Energy Sources**

Enforcement Date: 4 March 2025

Summary:

- This Regulation establishes a new set of guidelines for the preparation of Power Purchase Agreements (*Perjanjian Jual Beli Tenaga Listrik* - “**PJBL**”) for power plants that utilize renewable sources of energy. All PJBL should now contain the following elements at the least: 1) The PJBL term; 2) The rights and obligations of the Power Plant (*Pembangkit Listrik* - “**PPL**”) and PT PLN; 3) Risk allocation; 4) Project implementation guarantee; 5) Commissioning and Commercial Operation Date (*Tanggal Operasi Komersial* – “**COD**”); 6) Electrical power installation certification; 7) Electrical power purchase and sale transactions; 8) Control over the operations of electrical power systems; 9) Power plant performance; 10) The termination of PJBL; and so on. Further provisions on these matters are featured under this Regulation.
- This Regulation revokes provisions originally set out under Regulation of the Minister of Energy and Mineral Resources No. 10 of 2017 on Points in Electrical Power Sale and Purchase Agreements.

## **21. Regulation of the Minister of Energy and Mineral Resources No. 6 of 2025 on the Amendment to Regulation of the Minister of Energy and Mineral Resources No. 6 of 2024 on Completion of the Construction of Domestic Metal Mineral Facilities**

Enforcement Date: 5 March 2025

Summary:

- Special Mining Business License (*Izin Usaha Pertambangan Khusus* – “**IUPK**”) holders are now permitted to engage in exports of metal mineral commodities, specifically copper, during the production operation stage, provided that said IUPK holders have completed the construction of metal mineral facilities (“**Facilities**”) but are unable to operate them due to the occurrence of force-majeure events. Force-majeure events are officially designated by the Indonesian National Police Force and are taken into account in relation to insurance claim payments to Facilities.

- In order to be exported, metal mineral commodities must: 1) Use the applicable Harmonized System (HS Code); 2) Meet the minimum processing threshold; and 3) Comply with applicable export duties. Moreover, IUPK holders must also secure export recommendations from the Minister of Energy and Mineral Resources ("**Minister**"), as well as export approvals from the Minister of Trade.
- The required documents that have to be submitted with applications for export recommendations include: 1) Verification report on the completion of construction of the relevant Facilities; 2) Force-majeure statement from the relevant IUPK holder; 3) Supporting documents, as issued by relevant institutions; and so forth. Recommendations will only be granted once during the relevant Facilities repair period for up to a maximum of six months, with a possible three-month extension being made available based on the results of evaluations. Additionally, IUPK holders that have already secured export recommendations must submit monthly reports that address the repair progress of the relevant Facilities that have been damaged by force-majeure events, as well as additional reports, if this is deemed necessary.

## **22. Regulation of the Minister of Finance No. 20 of 2015 on Procedures on Provisioning, Calculations, Payments and Accountability for the Electricity Subsidy**

Enforcement Date: 11 March 2015

Summary:

- The electricity subsidy is provided through PT PLN (Persero) to consumers in tariff groups whose average electricity tariffs are lower than the Cost of Electricity Supply (*Biaya Pokok Penyediaan Tenaga Listrik* – "**BPP**") at the voltage in the relevant tariff group.
- PT PLN (Persero) is responsible for submitting accountability reports that address the distribution of electricity subsidies as it relates to the following areas: 1) Targets and the realization of electricity sales; 2) BPP electrical power; 3) Energy mix; 4) Fuel volume; 5) Specific Fuel Consumption ("**SFC**"); and 6) Shrinkage.
- This Regulation repeals Regulation of the Minister of Finance No. 174/PMK.02/2019 on Procedures on Provisioning, Calculations, Payments and Accountability for the Electricity Subsidy.

## **23. Regulation of the Minister of Energy and Mineral Resources No. 8 of 2025 on Energy Management**

Enforcement Date: 13 March 2025

Summary:

- The scope of the parties required to implement energy management has now been expanded to include: 1) Transport sector users who consume 4,000 tons or more of oil equivalent per year; 2) Industrial sector users who consume 4,000 tons or more of oil equivalent per year; and 3) Building sector users who consume 500 tons or more of oil equivalent per year. Additionally, the range of entities eligible to implement energy management now includes: 1) Transport sector users who consume less than 4,000 tons of oil equivalent per year; 2) Industrial sector users who consume less than 4,000 tons of oil equivalent per year; and 3) Building sector users who consume less than 500 tons of oil equivalent per year.
- The available energy management methods have also been revised and now include the replacement of the energy conservation program with an energy efficiency program. However, the requirement to conduct audits every three years remains, with an emphasis being placed on the prioritization of internal auditors. Moreover, audit recommendations must now be implemented within three years. Furthermore, the formation of an energy management team and the appointment of an energy manager are now explicitly required to be completed by the highest leader (*pimpinan tertinggi*) of the relevant organization.
- Financing for energy management can be sourced from energy providers, energy users or other sources of financing, including energy conservation service providers and financial institutions. Moreover, incentives have been restructured into fiscal and non-fiscal categories, expanding the available types, which now encompass fiscal incentives under applicable law, energy conservation training, the issuance of certification and assistance with climate change mitigation planning. Furthermore, energy providers and/or users who implement energy management as part of their climate change mitigation strategies can now benefit from the carbon economic value mechanism, which allows them to secure greenhouse gas emissions reduction certification.

#### **24. Regulation of the Minister of Environment/Head of the Environmental Control Agency No. 1 of 2025 on the Treatment of Wastewater from Shrimp Farming**

Enforcement Date: 19 March 2025

Summary:

- This Regulation stipulates that all shrimp farming businesses or related activities that produce wastewater must treat all such wastewater in order to prevent water pollution. This obligation includes compliance with certain wastewater quality standards and specified wastewater treatment technology standards, which can be found outlined comprehensively under Appendix I to this Regulation.
- The wastewater quality standards for shrimp farming encompass several parameters (e.g. pH, total NH<sub>3</sub> and TSS) with corresponding maximum allowable concentrations. Additionally, recommended wastewater

treatment technologies comprise biological aerobic methods (e.g. activated sludge systems and constructed wetlands with free-water surface flows). Wastewater treatment technology standards should be applied by taking the following aspects into account: 1) Characteristics of shrimp farming wastewater; 2) Design and operation of wastewater treatment plants (*Instalasi Pengolahan Air Limbah/IPAL*); 3) Calculations of land requirements and hydraulic retention times.

- This Regulation also mandates the regular monitoring and reporting of treated wastewater and the quality of any receiving surface water and seawater. Moreover, operators of shrimp farms must perform this monitoring through the application of the standardized methods that apply at registered laboratories. This Regulation also mandates that such tests should be performed at least once per production cycle for wastewater and every six months for any receiving water bodies.

**25. Regulation of the Downstream Oil and Gas Regulatory Agency No. 1 of 2025 on the Amendment to Regulation of the Downstream Oil and Gas Regulatory Agency No. 1 of 2024 on the Distribution of Certain Types of Fuel and Specifically Assigned Fuel Types to Sub-Distributors in Disadvantaged, Frontier, Outermost and Remote Areas**

Enforcement Date: 27 March 2025

Summary:

- Previously, under the original Regulation, sub-distributors of certain types of oil-fuel (*Bahan Bakar Minyak* – “**BBM**”) and/or certain types of BBM for government assignments that had been operating prior to the enforcement of this Amendment were allowed to continue distribution up until 10 December 2024. However, this Amendment has now extended this deadline until 30 September 2025. In order to continue operations beyond this date, this Amendment mandates that any such sub-distributors should submit new applications.

**26. Decree of the Minister of Energy and Mineral Resources No. 24.K/TL.01/MEM.L/2025 on the Development Plan for Public Electric Vehicle Charging Stations for Battery-Based Electric Motor Vehicles for 2025 – 2030**

Enforcement Date: 22 January 2025

Summary:

- This Regulation sets out a development plan for public electric vehicle charging stations (*Stasiun Pengisian Kendaraan Listrik Umum* – “**SPKLU**”)

for battery-based electric motor vehicles for the 2025 - 2030 period. This development plan must be adhered to by business entities during the development of SPKLU. The plan includes: 1) Total numbers and distribution of SPKLU within each province, as located within shopping centers, office areas, industrial zones, rest areas and other locations; and 2) Charging technology types, which comprise medium, fast and ultra-fast chargers.

- Furthermore, the distribution of SPKLU has also been determined as follows: 1) In the high-density areas of Jakarta, Bogor, Depok, Tangerang and Bekasi ("**Jabodetabek**") construction should be implemented in line with a five-to-one ratio, meaning that for every five SPKLU that are constructed within the Jabodetabek area, one must be constructed in a low-density area lying outside the provincial capital; and 2) In high-density areas located outside Jabodetabek, construction should be implemented in line with a twelve-to-one ratio, meaning that for every twelve SPKLU that are constructed outside Jabodetabek and provincial capitals, one must be constructed in a low-density area.
- This Regulation also stipulates that any business entities that are responsible for SPKLU development must submit realization reports to the Minister of Energy and Mineral Resources.

## **27. Decree of the Minister of Energy and Mineral Resources No. 85.K/TL.01/MEM.L/2025 on the National Electricity General Plan**

Enforcement Date: 5 March 2025

Summary:

- In addition to repealing and replacing Regulation of the Minister of Energy and Mineral Resources No. 314.K/TL.01/MEM.L/2024 on the National Electricity General Plan (*Rencana Umum Ketenagalistrikan Nasional*//RUKN), this new Regulation also addresses a significant projected increase in demand for electrical power. In this regard, overall consumption of electrical power is estimated to reach 539 TWh in 2025, which is equivalent to 1,893 kWh per capita. This projected increase is expected to continue, ultimately reaching approximately 1,813 TWh or 5,038 kWh per capita by 2060.
- This Decree outlines an interconnected super grid strategy, which will prioritize networks in the Sumatra - Java, Kalimantan - Sulawesi and Papua areas. The estimated investment that will be required for power generation and transmission between provinces during the 2025 - 2060 period has been estimated at approximately US\$ 1.09 trillion.

## **Environment**



**28. Decree of the Head of the Indonesian Quarantine Agency No. 571 of 2025 on the Stipulation of Types of Quarantine Plant Pest Organisms, Carriers of Quarantine Plant Pest Organisms and Prohibited Carriers of Quarantine Plant Pest Organisms**

Enforcement Date: 6 March 2025

Summary:

- This Decree stipulates the types of Quarantine Plant Pest Organisms (*Organisme Pengganggu Tumbuhan Karantina* – “**OPTK**”), their carriers and prohibited carriers. In essence, OPTK are classified into the following two categories: 1) Category A1 (e.g. organisms that are not yet found in Indonesia but that have the potential to enter Indonesian territory; and 2) Category A2 (i.e. organisms that are already present in Indonesia and that require control). Both categories encompass various types of OPTK (e.g. insects, snails and nematodes).
- Meanwhile, OPTK carriers (e.g. live plants, tubers, bulbs, roots, stems, leaves and live insects) are categorized based on their levels of risk. Additionally, soil in any form, whether accompanying plants or not, is strictly prohibited from being brought into Indonesia.

## General Financial Services

**29. Regulation of the Financial Services Authority No. 3 of 2025 on the Implementation of Professional Certification Institutions Within the Financial Services Sector**

Enforcement Date: 20 February 2025

Summary:

- Regulation of the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”) No. 3 of 2025 on the Implementation of Professional Certification Institutions Within the Financial Services Sector (“**Regulation 3/2025**”) mandates that Professional Certification Institutions (*Lembaga Sertifikasi Profesi* – “**LSP**”) must bring their various certification schemes into line with Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia/SKKNi*) and the Indonesian National Qualifications Framework (*Kerangka Kualifikasi Nasional Indonesia/KKNI*). If these frameworks are updated, then LSP must adjust their schemes accordingly within six months of receiving any official notification from the OJK.

- This new regulation sets out clear guidelines on LSP ownership and shareholding structures, ensuring overall balance of control and independence. LSP must be established as Limited Liability Companies (*Perseeroan Terbatas*/PT) unless they are founded by a state ministry or designated government partner, while specific ownership limits apply to business associations, professional associations and state institutions. Additionally, LSP must have qualified leadership in place and must also submit various required registration documents to the OJK.
- The OJK oversees LSP compliance through periodic reporting and direct assessments, as undertaken in coordination with the National Professional Certification Agency (*Badan Nasional Sertifikasi Profesi*/BNSP). LSP must follow OJK recommendations within specified timeframes. Any failure to comply in this regard may lead to the imposition of administrative sanctions, including written warnings and, in severe cases, the revocation of certification scheme recommendations. The OJK may also publish imposed sanctions via its official website.

### **30.Regulation of the Financial Services Authority No. 5 of 2025 on Supporting Professions Within the Financial Services Sector**

Enforcement Date: 3 March 2026

Summary:

- In addition to requiring supporting professionals that operate within the financial services sector (“**Supporting Professionals**”) to register through the reporting system of the anti-money laundering and counter-terrorism financing programs that are managed by the Financial Transaction Reports and Analysis Center (“**PPATK**”), this framework has now expanded the list of professions that are classified as Supporting Professionals, which now include: 1) Practicing accountants; 2) Tax consultants; 3) Sharia financial services experts; 4) Providers of registration statement documents; and 5) Parties that engage in analysis and that provide services relating to certain corporate actions (e.g. current transactions, mining potentials, sustainable finances and so forth).
- Administrative sanctions that can be imposed upon Supporting Professionals include written reprimands, suspensions of registrations, cancellations of registrations and fines for specific violations. Meanwhile, the obligations of Supporting Professionals encompass maintaining their independence, objectivity and professionalism, maintaining the confidentiality of all data and information, and also compliance with professional standards, quality control and codes of ethics. Sanctions will be applied in response to violations that may include prior administrative sanctions, criminal convictions, credit defaults, involvement in financial crimes, holding of dual positions or being prohibited from serving as a principal party in a financial institution.
- Service terminations are categorized as temporary or permanent. Temporary terminations occur in response to violations such as taking leave

for at least one year, facing registration or license suspensions or receiving temporary service termination orders from competent authorities. Permanent terminations occur in response to sanctions that lead to the cancellation of registration certification, the revocation or invalidation of supporting professional licenses by relevant authorities or dismissals by competent authorities.

### **31. Draft Regulation of the Supreme Court on Adjudication Procedures for Lawsuits and Execution Procedures for Decisions Filed by the Financial Services Authority as a Consumer Protection Measure**

Enforcement Date: -

Summary:

- This Draft Regulation establishes various procedural laws for the handling of lawsuits that are filed by the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”) in order to protect consumers from business actors operating within the financial services sectors (*Pelaku Usaha Jasa Keuangan* – “**PUJK**”) who violate applicable Regulations. This Draft Regulation will ultimately serve as a set of guidelines for use by the OJK during the filing of lawsuits, court proceedings and the enforcement of court rulings in order to recover consumer losses. In this regard, the OJK may file lawsuits for the following purposes: 1) Recovery of assets of any parties that have been harmed from the parties responsible for causing losses; and/or 2) Securing of compensation from parties responsible for causing losses to consumers and/or financial services institutions as a result of violations of Laws and Regulations that apply within the financial services sector.
- The OJK may file lawsuits without being required to secure any special power of attorney from consumers. The trial process includes claim submission, responses and evidentiary proceedings, but excludes mediation. Decisions must be issued within 60 days, while appeals can only be made through cassation within 14 days.
- If the court upholds any lawsuit that is filed by the OJK, then the mechanism that will be used in order to distribute compensation to affected consumers, as implemented by the OJK, will be explicitly outlined in the relevant verdict. The enforcement processes for such verdicts include asset seizures, liquidation and direct payments, with execution being overseen by the court.

## **Land & Property**

### **32. Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 2 of 2025 on the**

**Amendment to Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 16 of 2022 on the Delegation of Authority for Determinations of Land Rights and Land Registration Activities**

Enforcement Date: 25 March 2025

Summary:

- The authority to stipulate land rights, including the authority to issue recommendations for restipulations of land rights and land registrations, may be delegated or subdelegated by the Minister of Agrarian Affairs and Spatial Planning based on certain indicators relating to the land in question. Said indicators encompass: 1) Geographical condition and population density; 2) Social condition of the local community; 3) Land area and the number of services provided; 4) Land value; and 5) Potential risk of disputes or conflicts emerging. In this regard, this Amendment affirms that the aforementioned indicators will serve as the basis for the classification of regional categories for the delegation of authority, ranging from Category I with high-level indicators to Category III with low-level indicators.
- This Amendment has also affirmed that the conversion of ownership rights to Right to Build (*Hak Guna Bangunan* – “HGB”) or Right to Use (*Hak Pakai*) through the general granting mechanism may only be carried out within the context of an auction. Consequently, any land rights changes that are completed beyond the context of auctions should be implemented through the relinquishment of the relevant rights so that the land in question becomes state land and is subsequently processed through the granting of rights.

## **Manufacturing & Industry**

**33. Decree of the Minister of Industry No. 881 of 2025 on the Appointment of Conformity Assessment Bodies to Enforce Indonesian National Standards for Metal Cookware and Stainless Steel Flatware**

Enforcement Date: 24 February 2025

Summary:

- This Regulation appoints eight product certification bodies and eight testing laboratories as conformity assessment bodies that will be responsible for enforcing Indonesian National Standards (*Standar Nasional Indonesia/SNI*) for metal cookware and stainless-steel flatware. These bodies and laboratories include: 1) The Industrial Standardization and Service Center in Surabaya; 2) The Large Industrial Standardization and Service Center for

Metals and Machinery; 3) The Industrial Standardization and Service Center in Jakarta; and others.

- In addition, these appointed certification bodies and laboratories must secure official accreditation from the National Accreditation Committee within two years of their appointment dates.

**34. Decree of the Minister of Energy and Mineral Resources No. 87.K/EK.01/MEM.E/2025 of 2025 on Minimum Energy Performance Standards and Energy-Saving Mark Labeling for Drinking Water Dispenser Energy Utilization Equipment**

Enforcement Date: 6 March 2025

Summary:

- This Decision stipulates that minimum energy performance standards and energy-saving mark labeling for drinking water dispenser energy utilization equipment should address the following elements: 1) Type of energy utilization equipment; 2) The value level of the energy saving, as well as the shape and specification of the energy-saving mark label; 3) Energy-saving certification type; 4) Energy performance testing requirements and procedures; 5) Exemption to the obligation to secure energy saving certification; and 6) Tolerance of incongruity in complex test results.
- Domestic producers and importers of drinking water dispenser energy utilization equipment are required to apply minimum energy performance standards and energy-saving labels for a period of 12 months from the date of this decision.
- Every three months, domestic producers and importers are required to submit reports on the implementation of minimum energy performance standards and energy-saving labeling that address the following areas: 1) Brands; 2) Types or models; 3) Capacity/power/volume/diameter; and 4) Number of units of drinking water dispenser energy utilization equipment produced.

## Natural Resources

**35. Regulation of the Minister of Maritime Affairs and Fisheries No. 3 of 2025 on the Amendment to Regulation of the Minister of Maritime Affairs and Fisheries No. 33 of 2023 on the Implementing Regulation to Regulation of the Government No. 26 of 2023 on the Management of Sedimentation Results at Sea**

Enforcement Date: 5 March 2025

#### Summary:

- In contrast with its predecessor, which asserted that identified minerals contained within marine sedimentation byproducts should not contain any valuable minerals or metals, or any non-metal minerals with economic value, this new Amendment has now redefined identified minerals as valuable minerals and/or metal or non-metal minerals.
- This Amendment has also included vessels that transport all such marine sedimentation byproducts to their final destination on the list of eligible locations for the temporary storage of said byproducts.
- Newly featured under this Amendment, domestic demand for marine sedimentation byproducts that take the form of sea sands should be determined annually and may be evaluated at any time, as required. Said determined annual domestic demand will serve as the basis for the issuance of sea-sand utilization permits to relevant business actors by the Minister of Maritime Affairs and Fisheries ("**Minister**"). Overall, said domestic demand should be calculated on a proportional basis, based on the ratio of volumes requested to total requested volume, multiplied by total domestic demand, as determined by the Minister.

### **36.Regulation of the Minister of Marine Affairs and Fisheries No. 6 of 2025 on the Implementation of Raw Material Standards for Fish Processing**

Enforcement Date: 6 March 2025

#### Summary:

- This Regulation has been issued in an effort to maintain the quality and safety of all raw materials that are used during the processing of fish. This new framework also sets strict standards for raw fish materials that business actors are required to follow.
- The standards cover multiple aspects, including sourcing through aquaculture units that adhere to good aquaculture practices and fishing units that follow proper fish handling methods. Furthermore, all raw materials must be fresh, free from pollutants and within the allowable chemical, biological and physical contaminant limits, as well as the allowable biological toxin and antibiotic residue limits. Additionally, traceability must be ensured through proper documentation, as supported by certification and test results, in order to verify compliance.
- Any business actors who comply with these raw material standards may be entitled to enjoy certain facilities, as provided by the Minister of Marine Affairs and Fisheries. Said facilities include access to financing, marketing opportunities, business collaborations and the development of fisheries-related infrastructure and facilities, all in accordance with existing Regulations.

### **37. Regulation of the Minister of Maritime Affairs and Fisheries No. 7 of 2025 on the Utilization of Conservation Areas**

Enforcement Date: 10 March 2025

Summary:

- Two main types of permits for conservation areas have now been introduced: Business Permits for commercial activities and Non-Business Permits for research, education and public infrastructure purposes. Business permits are issued through the Online Single Submission (OSS) system or Management Organization Unit (*Satuan Unit Organisasi Pengelola* – SUOP), while non-business permits are granted by the Minister or relevant Governor. Permits must be secured for all existing activities within one year of the Regulation's enactment (i.e. by 10 March 2026).
- Business Permits cover fishing, aquaculture, tourism and construction, while Business Utilization Permits for Conservation Areas (*Surat Izin Usaha Pemanfaatan Kawasan Konservasi* — SIUPKK) are required for permanent business activities and Fishing Activity Registration Marks for Conservation Areas (*Tanda Daftar Kegiatan Penangkapan Ikan di Kawasan Konservasi* — TDKPIKK) are required for commercial fishing activities. Non-Business Permits allow research, education and community infrastructure activities to be undertaken for periods of up to 20 years, with permit holders being required to submit annual reports and maintain all relevant facilities. Research permits require the submission of progress reports and final reports, while education permits have no reporting obligations.
- Permits for buildings and installations in conservation areas are subject to strict environmental regulation. In this regard, any such activities must not disrupt existing fishing, tourism or protected species migration routes. Size limitations also apply as follows: 75% maximum marine space usage, 25% coral and seagrass coverage and 50% mangrove coverage or 1,000 trees per hectare.

### **38. Regulation of the Minister of Maritime Affairs and Fisheries No. 8 of 2025 on the Management of Supervisory Vessels**

Enforcement Date: 7 March 2025

Summary:

- This Regulation establishes a structured system for the management of patrol vessels (*Kapal Pengawas*). Specifically, this new framework defines the roles of patrol vessels in terms of surveillance and law enforcement within Indonesian waters and the high seas. This Regulation also introduces a number of detailed procedures for the stopping of vessels, including a structured process that runs from detection to stopping, a step-by-step communication method that escalates to warning shots or the use of water

cannon, and the concept of hot pursuit with clear limits as to when such pursuit must end.

- The marking of surveillance vessels under Regulation of the Minister of Maritime Affairs and Fisheries No. 4 of 2021 on the Governance of Fisheries Surveillance Vessels (“**Regulation 4/2021**”) must brought into line with this new framework within two years of its enactment. Meanwhile, Class II, III and IV surveillance vessels previously controlled by the Director must be handed over to Technical Implementation Units for Marine Resource Monitoring (*Unit Pelaksana Teknis Pengawasan Sumber Daya Kelautan - UPT PSDKP*) within the same period.
- This Regulation has now officially revoked Regulation 4/2021, which is considered no longer compatible with current legal requirements.

### **39.Regulation of the Minister of Agriculture No. 6 of 2025 on the Amendment to Regulation of the Minister of Agriculture No. 05/PERMENTAN/KB.410/1/2018 on the Clearing and/or Cultivation of Plantation Land Without Burning**

Enforcement Date: 21 March 2025

Summary:

- Previously, plantation companies did not have to draw up a Work Plan for the Opening and/or Cultivation of Plantation Land (*Rencana Kerja Pembukaan dan/atau Pengolahan Lahan Perkebunan – “RKPPLP”*) in order to clear and/or cultivate land, however, through this regulatory change, companies must now draw up RKPPLP which must subsequently be approved by the head of the relevant provincial or district/city office.
- Companies are required to have plantation land fire control infrastructure in place in the form of reservoirs or water reservoirs at a density of 1 (one) unit for every 500 ha (five hundred hectares) of plantations.
- Procedures for drawing up these plans and the application format for land clearing and/or cultivation, reporting on plantation land fire control and further provisions related to land fire control are regulated specifically under the Appendix to this Regulation.

### **40.Regulation of the Bank Indonesia Board of Governors No. 4 of 2025 on the Second Amendment to Regulation of the Bank Indonesia Board of Governors No. 4 of 2023 on Export Proceeds and Import Payment Foreign Exchange**

Enforcement Date: 1 March 2025

Summary:



- While maintaining the majority of instruments for exporters of natural resources (*Sumber Daya Alam* – “**SDA**”) that are available for the placement of their export proceeds (*Devisa Hasil Ekspor* – “**DHE**”), as originally outlined under Regulation of the Bank Indonesia (“**BI**”) Board of Governors No. 4 of 2023 (“**Regulation 4/2023**”), this Second Amendment has now included BI foreign exchange securities and BI foreign exchange sukuk on the list.
- It should also be noted that this Second Amendment affirms that the newly introduced instruments cannot be withdrawn prior to their maturity dates (*jatuh waktu*). Once an instrument matures, the relevant funds must then be returned to the designated DHE SDA foreign exchange account in their original currency.
- This Second Amendment has also clarified that DHE SDA that derive from the non-oil-and-gas sector may be utilized by exporters of natural resources for rupiah conversions through cash and forward transactions at the same bank, with a maximum amount equal to the DHE SDA placed in the designated foreign exchange account. This facility is also available to exporters who are clients of the Indonesian Export Financing Institution (*Lembaga Pembiayaan Ekspor Indonesia* – “**LPEI**”), enabling transactions to be completed through LPEI.

#### **41. Decree of the Minister of Finance No. 2/KM.4/2025 on the Stipulation of Types of Natural Resource Export Goods Subject to the Requirement to Deposit Export Proceeds into the Indonesian Financial System**

Enforcement Date: 1 March 2025

Summary:

- In addition to repealing and replacing the previous framework that classified natural resource export commodity types subject to the mandatory depositing of export proceeds into the Indonesian financial system, i.e. Decree of the Minister of Finance No. 272 of 2023, this Decree now stipulates an updated list of said natural resource export commodity types. The new list breaks down as follows: 1) 56 types of commodities within the Oil and Gas Mining Sector; 2) 153 types of commodities within the Non-Oil and Gas Mining Sector; 3) 567 types of commodities within the Plantation Sector; 4) 263 types of commodities within the Forestry Sector; and 5) 506 types of commodities within the Fisheries Sector.

## **Non-Banking Financial Services**

#### **42. Draft Circular of the Financial Services Authority on Buy Now Pay Later (BNPL) Digital Financing Services Organized by Financing Companies and Sharia Financing Companies**

Enforcement Date: -

Summary:

- Financing companies and sharia financing companies (collectively referred to as “**Companies**”) may now organize digital sharia financing services, including so-called Buy Now Pay Later (“**BNPL**”) services. In this regard, financing companies utilize BNPL for multipurpose financing. In contrast, sharia financing companies utilize BNPL for sale and purchase financing under specific sharia contracts (i.e. *murabahah*, *salam* and/or *istishna*).
- In order to provide BNPL services, Companies must secure approvals from the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”) by submitting their applications via electronic licensing systems, along with the required documents. Once approved, Companies must comply with strict regulations, particularly regarding debtor obligations and collection procedures in cases of default, including the issuance of periodic payment reminders and warning letters.
- Furthermore, Companies may discontinue their BNPL services either voluntarily or if ordered to by the OJK. Voluntary termination requires a structured termination plan, while an OJK-ordered termination may be required in response to regulatory changes or system failures.

## **Pharmacies, Health Industry, and Foods & Drugs Standards**

#### **43. Regulation of the Indonesian Quarantine Agency No. 3 of 2025 on Quarantine Measure Procedures for Entries of Carriers Rejected by Destination Countries or Areas**

Enforcement Date: 28 February 2025

Summary:

- Any goods that are rejected by a foreign country or area may re-enter Indonesia, provided that they meet the following requirements: 1) Must be covered by a valid health certificate; 2) Must enter the country through certain designated entry points; and 3) Must be accompanied by an official rejection statement from the destination country or area. Goods from outbreak zones are strictly prohibited.

- Re-entering carriers will have to undergo strict quarantine measures (i.e. administrative checks, physical health inspections and potential treatments or destruction). Any items that are deemed healthy and compliant with regulations may be released, while contaminated or non-compliant items will have to be quarantined.
- This Regulation also mandates a three-day holding period in response to any incomplete documentation, after which the relevant non-compliant goods will be destroyed or sanctioned. Protected wildlife and plants will be handed over to conservation authorities. Meanwhile, all procedures must be undertaken in line with national quarantine laws.

#### **44.Regulation of the Indonesian Quarantine Agency No. 4 of 2025 on Quarantine Measures at National Border Crossings**

Enforcement Date: 28 February 2025

Summary:

- Any imports or releases of animals, fish, plants and related products as potential carriers of animal, fish and/or plant pests and diseases via national borders will be subject to a mandatory quarantine regime. Such pests and disease carriers may enter or exit Indonesian territories for general trade and border-crossing purposes, while this Regulation affirms that said pests and disease carriers must undergo various quarantine measures, including: 1) Inspection; 2) Rejection; 3) Destruction; or 4) Release.
- Cross-border commuters who wish to import or release the abovementioned pests and disease carriers must meet certain specific requirements that include the following: 1) Must have secured a cross-border identity card; 2) Must adhere to agreed maximum value limits; 3) Must report to quarantine officials at designated points; and 4) Must comply with various sanitary and phytosanitary standards that are agreed upon by both countries. It should also be noted that certain media carriers are prohibited, particularly from areas that are experiencing ongoing outbreaks.
- The quarantine regime for cross-border commuters encompasses document checks and physical health checks. However, if documents are incomplete or if pests or diseases are detected, then the relevant media carrier will be rejected. Rejected items will then be destroyed.

#### **45.Regulation the National Agency of Drug and Food Control No. 6 of 2025 on Guidelines for the Stability Testing of Health Supplements**

Enforcement Date: 20 March 2025

Summary:

- Stability testing is categorized into six types based on product characteristics. Batch selection requires at least two batches of the same formula to be selected in order to ensure dosage and packaging consistency. Specifications include physical, chemical and microbiological tests. Testing should follow real-time and accelerated schedules at designated intervals, while matrixing and bracketing reduction designs are used to estimate shelf life. Products must be tested under appropriate storage conditions, with due consideration being paid to temperature and humidity. Stability tests apply to both primary and secondary packaging, which are classified as impermeable or permeable based on their resistance to moisture. All findings must be documented as part of a standardized stability testing protocol.
- The reporting and evaluation of stability testing results must cover physical, chemical and microbiological properties. Reports must document changes in storage protocols and the justification for any test variables. Business actors must include storage condition information on relevant labeling, which should specify temperature, light exposure and humidity conditions.
- Optional general precautionary statements, such as, “store in a dry place,” may also be added. Meanwhile, special treatments for storage conditions must be disclosed and should avoid generic terms such as “room temperature”. Standardized labeling statements are required for different storage conditions, including controlled room temperature, cold storage and specific temperature thresholds in order to ensure product stability.

#### **46. Regulation of the National Agency of Drug and Food Control No. 8 of 2025 on Guidelines for the Assessment of Advanced Therapeutic Products**

Enforcement Date: 18 March 2025

Summary:

- In addition to repealing and replacing Regulation of the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan – “BPOM”*) No. 18 of 2020 on Guidelines for the Assessment of Human Cell-Based Drugs, this Regulation also features a set of guidelines which should be used as a reference in order to assess advanced therapeutic products (“**Guidelines**”) by business actors (i.e. producers of pharmaceutical products and facilities for the processing of advanced therapeutic products) in order to fulfill mandatory drug registration requirements and develop advanced therapeutic products.
- The new guidelines should be implemented as part of the registration process for advanced therapeutic products that meet the following criteria: 1) A product has undergone more than minimal manipulation; and/or 2) A product is intended for non-homologous use.
- This Regulation also affirms that assessments of advanced therapeutic products must be undertaken in compliance with applicable Laws and Regulations that govern the following aspects: 1) Evaluations of newly

developed drugs; 2) Standards for good drug manufacturing practices (*Cara Pembuatan Obat yang Baik* – “**CPOB**”); 3) CPOB for facilities that process cell-based and tissue-based products; 4) Procedures for the securing of approvals for clinical trials; 5) Criteria and procedures for drug registrations; and 6) Implementation of pharmacovigilance.

#### **47. Decree of the Deputy for Animal Quarantine No. 6 of 2025 on Guidelines for Animal Actions and the Integrated Surveillance of Ebola Disease Carriers**

Enforcement Date: 11 February 2025

Summary:

- This Decree will now serve as a set of guidelines for use by animal quarantine officers whenever they conduct animal quarantine measures and the integrated surveillance of entries of carriers that have the potential to transmit the Ebola virus. As outlined under the Appendix to this Decree, the scope of these new guidelines encompasses: 1) Carriers of the Ebola virus; 2) Entry points for Ebola virus carriers; 3) Procedures for animal quarantine measures and integrated surveillance of Ebola virus carriers; and 4) Post-quarantine monitoring and integrated surveillance of Ebola virus carriers.

## **Tax & Non-Tax Charges**

#### **48. Regulation of the Minister of Finance No. 17 of 2025 on Investigations of Criminal Acts Within the Taxation Sector**

Enforcement Date: 25 February 2025

Summary:

- Under this Regulation, investigations of criminal acts that occur within the taxation sector (“**Investigations**”) should be carried out based on Investigation warrants that are issued in response to submitted reports that address the following matters: 1) Examinations of preliminary evidence; 2) Handling of recently discovered criminal acts within the taxation sector (“**Tax Crimes**”); and 3) The development of investigations. In this regard, this Regulation outlines a total of 13 phases for the Investigation process, including: 1) Summoning of relevant parties (e.g. witnesses, experts and/or suspects); 2) Examinations, arrests and/or detentions; 3) Blocking and/or

confiscation; 4) Stipulation of suspects; and 5) Transfers of case files, suspects and/or gathered evidence.

- In the event that a reported party or suspect is a corporate taxpayer, this Regulation affirms that a summons should be sent to the management of said corporate taxpayer. Moreover, business entities may also be subject to searches by investigators for Investigation purposes.
- This Regulation has now officially repealed and replaced Regulation of the Minister No. 55/PMK.03/2016 ("**Regulation 55/2016**"), which served as the previous framework for the termination of Investigations in the interests of state income. In this regard, this new Regulation has now clarified that Investigations may only be terminated after the relevant taxpayers or suspects have settled any state losses that were incurred through Tax Crimes, along with additional administrative fines amounting to between one and four times the relevant state losses. However, said administrative fines should only be imposed in line with the following conditions: 1) If the relevant taxpayer or suspect is subject to multiple alternative criminal sanctions: the highest administrative sanction should be applied; or 2) If the taxpayer or suspect is subject to multiple cumulative criminal sanctions: the administrative sanctions should be applied cumulatively.

#### **49. Regulation of the Minister of Finance No. 18 of 2025 on Value-Added Tax on Scheduled Economy-Class Airline Services Funded by the Government in 2025**

Enforcement Date: 1 March 2025

Summary:

- This Regulation outlines the partial responsibility of the government for the Value-Added Tax (*Pajak Pertambahan Nilai* - "**PPN**") on scheduled, economy-class, domestic, commercial, air transportation services within Indonesia on certain dates during the 2025 fiscal year.
- Under this Regulation, the PPN on scheduled, economy-class, domestic flights are divided up between passengers and the government. Specifically, passengers are required to pay 5% of the relevant compensation, while the government will cover the remaining 6% on certain dates during the 2025 fiscal year. The term compensation refers to the total monetary amount subject to PPN, including the base fare, fuel surcharge and other applicable costs that passengers pay as part of the services that are provided by Air Transportation Business Entities (*Badan Usaha Angkutan Udara*).
- This Regulation is set to take effect on 1 March 2025, while the tax benefit applies to tickets that are purchased between 1 March and 7 April 2025. Moreover, flights must be scheduled between 24 March and 7 April 2025 in order to qualify. Thus, for passengers to benefit from this government subsidy, both the ticket purchase and the actual flight must fall within the designated periods.

**50. Regulation of the Minister of Finance No. 21 of 2025 on the Imposition of Antidumping Duties on Imports of Nylon Film Products from the People's Republic of China, Thailand and Taiwan**

Enforcement Date: 25 March 2025

Summary:

- This Regulation stipulates the imposition of antidumping duties ("**Duties**") on imports of nylon products in the form of foil with a thickness not exceeding 0.25 mm (zero point two five millimeters), as included under tariff headings ex 3920.92.10 and ex 3920.92.99. In this regard, a list of relevant company names and antidumping duty rates are regulated specifically under the Appendix to this Regulation.
- Imported nylon film goods are exempted from antidumping import duties if:  
1) The relevant import customs notification document has been issued a registration number; and 2) The tariff and its customs value have been determined by the customs office at which the relevant customs obligation is settled.
- These Duties will apply for a period of four years, specifically from 25 March 2025 to 25 March 2029.

**51. Decree of the Minister of Finance No. 8/KM.4/2025 on the Second Amendment to Decree of the Minister of Finance No. 3/KM.4/2025 on the Determination of Export Prices for Calculations of Export Duties**

Enforcement Date: 15 March 2025 – 31 March 2025

Summary:

- This Regulation expands the list of commodities and their corresponding export prices, which are used in order to calculate export duties, as originally outlined under the Appendix to Decree of the Minister of Finance No. 3/KM.4/2025 on the Determination of Export Prices for Calculations of Export Duties ("**Decree 3/2025**"). The list now encompasses 209 export prices for various processed mineral products, which include: 1) Copper concentrate with a content of  $15\% \leq \text{Cu} < 16\%$  and a gold content of  $0 \text{ ppm} < \text{Au} \leq 5 \text{ ppm}$ , priced at US\$ 1,452.24/WE; 2) Copper concentrate with a content of  $15\% \leq \text{Cu} < 16\%$  and a gold content of  $5 \text{ ppm} < \text{Au} \leq 10 \text{ ppm}$ , priced at US\$ 1,864.53/WE; and 3) Copper concentrate with a content of  $15\% \leq \text{Cu} < 16\%$  and a gold content of  $10 \text{ ppm} < \text{Au} \leq 15 \text{ ppm}$ , priced at US\$ 2,276.83/WE.

**52. Circular of the Director-General of Taxes No. SE-01/PJ/2025 on Income Tax and Value-Added Tax Treatments for Reinsurance Commissions Received or Earned by Insurance or Reinsurance Companies and Brokerage Service Fees Received or Earned by Reinsurance Brokerage Companies in Relation to the Organization of Insurance Business Activities**

Enforcement Date: 24 January 2025

Summary:

- Insurance and reinsurance companies that receive reinsurance commissions must report them as taxable income. Domestic taxpayers are exempt from withholding in relation to Article 23 Income Tax (*Pajak Penghasilan* – “**PPh**”), while foreign taxpayers will be subject to a 20% withholding tax under Article 26 PPh unless a tax treaty applies. Value-Added Tax (*Pajak Pertambahan Nilai* – “**PPN**”) does not apply to reinsurance commissions.
- Reinsurance brokerage companies that receive service fees will be subject to Article 23 PPh at a rate of 2% or a final PPh of 0.5% if they are classified as small businesses. Foreign brokers without a permanent establishment in Indonesia will be subject to a 20% withholding tax under Article 26 PPh. PPN applies to all brokerage services.

**53. Decree of Director-General of Taxes No. KEP-67/PJ/2025 on the Policy for the Elimination of Administrative Sanctions for Late Payments and/or Deposits of Payable Taxes and Submissions of Tax Returns in Relation to the Implementation of DJP Coretax**

Enforcement Date: 27 February 2025

Summary:

- The new Coretax system of the Directorate-General of Taxes (CORETAX DJP) officially came online on 1 January 2025 and is being aimed at streamlining Indonesia’s overall tax administration. This Decree has now eliminated any administrative sanctions that were to be imposed upon taxpayers who experienced delays in their tax payments, deposits and tax return submissions during the system’s transition period.
- The above-described elimination of administrative sanctions applies to late payments and/or deposits of various types of income tax (*Pajak Penghasilan*/PPh), value-added tax (*Pajak Pertambahan Nilai*/PPN) and stamp duty for the December 2024 - March 2025 tax period. This elimination of sanctions also covers late submissions of tax returns for corresponding tax periods.
- It should be noted that this Decree affirms that administrative sanctions will be automatically waived if no tax collection letter (*Surat Tagihan Pajak*/STP) has been issued. However, if such a letter has already been issued, then the relevant regional tax office will cancel said administrative penalties.



**54. Decree of the Director-General of State Assets No. KEP-29/KN/2025 on Valuation Report Standards for Government Appraisers**

Enforcement Date: 1 April 2025

Summary:

- In addition to repealing and replacing Decree of the Director-General of State Assets No. KEP-453/KN/2020 ("**Decree 453/2020**"), this Decree also establishes an updated set of standards for the drafting of valuation reports ("**Reports**") by government appraisers, as outlined comprehensively under the Appendix to this Decree.
- It should be noted that any Reports that were drafted prior to the enforcement of this Decree will remain valid and applicable. Moreover, the implementation of the updated Report drafting standards encompasses the following three main aspects: 1) Drafting of Reports; 2) Numbering of Reports; and 3) Formatting of Reports and attachments. It should also be noted that any Reports that were already in the drafting process prior to the enforcement of this Decree must be brought into line with the new standards.

**55. Decree of the Director-General of Customs and Excise No. KEP-37/BC/2025 on the Amendment to Decree of the Director-General of Customs and Excise No. KEP-173/BC/2024 on the Full Implementation (Mandatory) of the Mutual Recognition Arrangement on Authorized Economic Operators Between the Directorate-General of Customs and Excise and the Customs Administrations of ASEAN Member States**

Enforcement Date: 28 February 2025

Summary:

- This Decree expands upon the trade facilitation that was originally outlined under Decree of the Director-General of Customs and Excise No. KEP-173/BC/2024 on the Full Implementation (Mandatory) of the Mutual Recognition Arrangement on Authorized Economic Operator Between the Directorate-General of Customs and Excise and the Customs Administrations of ASEAN Member States ("**Decree 173/2024**") so that it now includes the Philippines as one of the loading ports for imported goods using facility code 451 through the inclusion of AEO identification numbers and authorization dates, for goods that are classified as imported for use with import declarations and Import Goods Notification BC 2.0.

# Technology, Media, and Telecommunication

## **56. Regulation of the Minister of Communication and Digital Affairs No. 3 of 2025 on the Utilization of the Radiofrequency Spectrum for Satellite Services and Satellite Orbits**

Enforcement Date: 13 March 2025

Summary:

- In addition to repealing and replacing Regulation of the Minister of Communication and Informatics No. 21 of 2014, which bore a similar title to this Regulation (“**Regulation 21/2014**”), this new Regulation mandates that satellite landing rights (*hak labuh*) are valid for a maximum period of five years and can be extended once. Moreover, this Regulation also stipulates that satellite landing rights will be evaluated on an annual basis.
- While generally speaking, approvals for any foreign satellites that wish to orbit through Indonesian airspace must be applied for by owners of foreign satellites that have been operating within their designated orbit slots/locations, this Regulation exempts foreign satellites that meet certain specific requirements from this obligation (e.g. satellites that are managed by a single telecommunications providers and that adhere to designated usage periods for foreign satellite capacities).
- This new Regulation specifically governs the calculation and payment of maritime telecommunications service fees through an Accounting Authority that has been registered with the International Telecommunication Union (ITU) by the Director-General. Moreover, in terms of any foreign satellites that were registered prior to this Regulation coming into effect, the relevant service periods in Indonesia will be counted from the enforcement date of this Regulation, i.e. 13 March 2025.

## **57. Regulation of the Minister of Communication and Digital Affairs No. 4 of 2025 on the Revocation of Three Regulations of the Minister of Communication and Information Technology**

Enforcement Date: 20 March 2025

Summary:

- This Regulation repeals three regulatory frameworks, specifically: 1) Regulation of the Minister of Communication and Information Technology No. 15 of 2015 on Guidelines for the Formulation of Technical Requirements for Telecommunications Equipment and Devices; 2)

Regulation of the Minister of Communication and Information Technology No. 9 of 2019 on Technical Requirements for Wavelength Division Multiplexing Telecommunications Equipment and/or Devices; and  
3) Regulation of the Minister of Communication and Information Technology No. 13 of 2021 on Technical Standards for Telecommunications Equipment and/or Mobile Telecommunications Devices as the Basis for Long-Term Evolution Technology and International Mobile Telecommunications-2020 Technology.

#### **58.Regulation of the Indonesian Police Force No. 2 of 2025 on Law Enforcement for Road Traffic and Transportation Violations Based on Electronically Recorded Evidence**

Enforcement Date: 5 March 2025

Summary:

- This Regulation mandates the use of the Electronic Traffic Law Enforcement (ETLE) system, which encompasses static, portable and mobile cameras, along with other types of electronic devices. However, any evidence that is collected through the use of these devices must be verified by Indonesian police officers.
- This Regulation also specifies the various steps that are involved in the handling of any violations that are detected through processes of electronic recording, starting with the identification of violations, followed by verifications of violations against vehicle registration data, followed by Electronic Registration and Identification (ERI) and finally the issuance of a confirmation letter to the relevant vehicle owners or violators.
- The relevant owner or violator must then confirm the violation, after which an electronic or manual traffic ticket (*Surat Tilang*) will be issued. If a violator ultimately fails to confirm or pay the fine, then the relevant vehicle's registration data may be blocked. This Regulation will come into force upon its official promulgation, which is set for some time in 2025 following its determination on 5 March 2025.

#### **59.Decree of the Minister of Communication and Digital Affairs No. 45 of 2025 on Technical Standards for Telecommunications Equipment and/or Mobile Telecommunications Devices Based on the Global System for Mobile Communications and International Mobile Telecommunications - 2000 Technology Standards**

Enforcement Date: 18 August 2025

Summary:

- Electrical safety assessments must now take overvoltage, electric current, dielectric strength, leakage current and touch current into consideration. Moreover, said assessments also require compliance with safety standards, including Indonesian National Standard (*Standar Nasional Indonesia – “SNI”*) International Electrotechnical Commission (“IEC”) 60950-1, SNI IEC 62368-1 and IEC 60950-1, depending on the type of device that is being assessed. Furthermore, assessments must follow a risk-based approach by identifying and classifying energy sources, implementing protective measures and evaluating their effectiveness in accordance with relevant SNI or IEC standards. Devices must also be powered continuously through dedicated external power supplies or AC sources and must operate in line with Safety Extra Low Voltage (SELV) in environments where overvoltages from telecommunications networks are unlikely to occur.
- Devices are classified into fixed, vehicular and portable equipment based on their power sources. Fixed equipment is permanently installed or powered by AC, vehicular equipment operates on a vehicle’s main battery and portable equipment is battery-powered. Moreover, devices must meet various emissions and immunity testing standards, including SNI CISPR 32, IEC CISPR 32 and ETSI EN 301 489-50, which references ETSI EN 301 489-1. Additional testing methods may be determined by the Director-General of Telecommunications Devices and/or Equipment Standardization.
- Devices operate on various radiofrequency bands, including: 1) GSM 850; 2) P-GSM 900; 3) E-GSM 900; 4) R-GSM 900; 5) ER-GSM 900; and so forth through the use of specified uplink and downlink frequency ranges. The Decree also requires compliance testing to be carried out, which involves: 1) Configuration of measuring instruments and DUT at the lowest and highest frequencies; or 2) Configuration of communications testers at the lowest, middle and highest frequencies in order to verify operational compliance.

**60. Decree of the Minister of Communication and Digital Affairs No. 46 of 2025 on Radiofrequency Spectrum-Based Class Licenses and Technical Standards for Wireless Power Transmission**

Enforcement Date: 18 February 2025

Summary:

- This Decree stipulates the following radiofrequency spectrum-based class licenses for Wireless Power Transmission (“WPT”): 1) 100 - 148.5 kHz; 2) 315 - 405 kHz; 3) 1700 - 1800 kHz; 4) 6765 - 6795 kHz; and 5) 13.553 - 13.567 MHz.
- This Decree has also now revised the technical WPT standards that were originally outlined under Decree of the Minister of Communication and Informatics No. 260 of 2024 on Technical Standards for Short-Range Devices (“**Decree 260/2021**”), which addressed the following aspects: 1) Power supply requirements; 2) Non-ionizing radiation requirements; 3)

- Electrical safety requirements; 4) Electromagnetic compatibility requirements; 5) Radiofrequency requirements; and so forth.
- It should also be noted that any WPT test reports that were issued prior to the Decree will remain valid and may be submitted as proof of the fulfillment of requirements for telecommunications equipment and/or device certification applications, provided that they do not contradict the Decree and any other relevant applicable Laws.

## Trade

### **61.Regulation of the Minister of Trade No. 8 of 2025 on the Third Amendment to Regulation of the Minister of Trade No. 22 of 2023 on Goods Prohibited from Being Exported**

Enforcement Date: 14 March 2025

Summary:

- While maintaining the majority of the provisions originally outlined under the framework of Regulation of the Minister of Trade (“**Minister**”) No. 22 of 2023, as amended several times, most recently by Regulation of the Minister No. 20 of 2024 (collectively referred to as “**Regulation 22/2023**”), this Third Amendment has now clarified that export prohibitions that apply within the mining sector under Regulation 22/2023 do not apply to exports of copper concentrate with a grade of  $\geq 15\%$  Cu, as completed by exporters who have already constructed refining facilities but who are unable to operate said facilities as a result of force-majeure events, in accordance with applicable laws.
- In addition, this Third Amendment has also expanded the list of goods that are prohibited from being exported, as originally outlined under the Appendix to Regulation 22/2023, by now including the commodity category of marine sedimentation byproducts.

### **62.Regulation of the Minister of Trade No. 9 of 2025 on the Third Amendment to Regulation of the Minister of Trade No. 23 of 2023 on Export Policy and Regulation**

Enforcement Date: 14 March 2025

Summary:

- These newly updated provisions allow the Minister to control export activities by requiring the Director-General of Foreign Trade to report on applications for business licenses (“**Export Licenses**”) within the export

sector before they are processed or approved. The implementation of Service Level Agreements (“**SLA**”) for the issuance of export Licenses must take said reports into consideration in relation to the national interest. In addition, the previous requirement for applications for Export License changes to be submitted within 30 days from the date of any data change has now been removed. Meanwhile, the timeframe for Export License extensions remains the same, with applications required to be submitted at least 30 days prior to the expiration of the relevant Export Licenses and at least seven working days prior to the end of the relevant validity periods.

- The authorization to issue Export Licenses for Special Economic Zones (*Kawasan Ekonomi Khusus* – “**KEK**”) and Free Trade and Free Port Zones (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas* – “**KPBPB**”) has also been revised, with some of this authority now being transferred from the Secretariat-General of the National KEK Council to the KEK Administrator (“**Administrator**”). If the Administrator is not yet ready to issue Export Licenses, then the Secretariat-General will assume responsibility for this area and, in the absence of any integrated electronic system, issuance will be facilitated through the National Single Window System.
- The grounds for the reactivation of suspended Export Licenses have also been simplified. In this regard, the requirement for exporters to submit Export License change applications within 30 days of any suspension has now been removed. The Regulation has now also clarified export conditions for various specific fish commodities, as listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (“**CITES**”) and various non-CITES sources. In this regard, any exporters who secured registration numbers and dates prior to enforcement are permitted to export products without the need to secure any additional approvals.

### **63. Regulation of the Minister of Trade No. 10 of 2025 on the Amendment to Regulation of the Minister of Trade No. 8 of 2023 on Procedures for Determinations of Export Benchmark Prices for Mining Products Subject to Export Duties**

Enforcement Date: 12 March 2025

Summary:

- Through this regulation, the Export Benchmark Prices (*Harga Patokan Ekspor* – “**HPE**”) of processed and/or refined mining products are based on the highest average price set by the Minister on the international exchange and free on board (“**FOB**”), which applies within the domestic marketplace, as well as in countries that are importing mining products.

### **64. Regulation of the Director-General of Customs and Excise No. PER-2/BC/2025 on Procedures for Customs Audits and Excise Audits**

Enforcement Date: 1 March 2025

Summary:

- The general audit duration has now been reduced to 21 months, replacing the previous two-year period, while investigative audits can now be conducted as required based on the scope of given assignments and object analyses. Furthermore, extension periods of up to 10 years may now be granted under certain specific circumstances, including in response to discoveries of violations during or outside an audit period, information from external parties and considerations from the audit team. An extension will apply either partially or to an entire audited object, subject to approval being granted by an authorized official.
- The updated auditing mechanism has retained its core structure but has now introduced a more detailed and systematic approach to the implementation of customs-and-excise audits. This updated process now includes enhanced procedural clarity and covers steps such as the issuance of assignment letters, data collection, monthly progress reports and final discussions between audit teams and auditees.
- In addition, various new measures have now clarified the conditions under which enforcement actions can be taken, such as blocking, safeguard measures (*tindakan pengamanan*) and enforcement actions (*penindakan*) against auditees who fail to comply with audit requirements. This new Regulation also explicitly states that a given single audit team is prohibited from auditing the same person during consecutive audit periods.

#### **65. Regulation of the Director-General of Customs and Excise No. PER-3/BC/2025 on Customs Audit Standards and Excise Audits**

Enforcement Date: 1 March 2025

Summary:

- Regulation of the Director-General of Customs and Excise No. PER-3/BC/2025 on Customs Audit Standards and Excise Audits ("**Regulation 3/2025**") introduces various updated customs-and-excise audit standards and has now replaced the previous framework. One notable change in this regard is the redefinition of the term "auditee", which now strictly refers to individuals rather than both individuals and legal entities. Additionally, Audit Termination Reports (*Laporan Penghentian Audit* – "**LPA**") have been newly introduced in order to document audits that are ended prematurely.
- While the general auditor qualifications remain the same, Regulation 3/2025 has now removed the explicit requirement for auditors to maintain their independence in terms of their attitude, mindset and appearance. New procedural requirements include audit work plan revisions, supervision by Audit Quality Supervisors (*Pengawas Mutu Audit* – PMA) and the mandatory electronic documentation of audit-related working papers.

- Regulation 3/2025 now mandates two types of reports: Audit Reports (*Laporan Hasil Audit* – LHA) and LPA. In contrast with the previous regulation, LPA must detail reasons for terminations, recommendations and other relevant information, thereby ensuring greater transparency during the auditing process.

## **66. Regulation of the Director-General of Customs and Excise No. PER-4/BC/2025 on Customs Notifications for Free-Trade Zones**

Enforcement Date: 31 March 2025

Summary:

- Broadly speaking, Customs Notifications for Free-Trade Zones (*Pemberitahuan Pabean Free Trade Zone* – “**PPFTZ**”) can be submitted by relevant businesses electronically through the Service Computer System (*Sistem Komputer Pelayanan* – “**SKP**”), which is integrated into the Indonesia National Single Window System (*Sistem Indonesia National Single Window* – “**SINSW**”). Businesses may also delegate PPFTZ submissions to Customs Service Management Companies (*Pengusaha Pengurusan Jasa Kepabeanan* – “**PPJK**”). Additionally, PPFTZ may be submitted in written form through the use of physical documents if the SKP is unavailable or is experiencing any operational disruptions.
- Businesses or PPJK may request PPFTZ amendments if clerical errors are discovered in any PPFTZ that have already been assigned registration numbers and dates. Amendment requests can be submitted via SKP for all PPFTZ purposes with the exception of releases of goods from free zones to locations outside customs areas. Applications for such amendments should include the relevant PPFTZ registration number and date, business identity, the data elements to be amended and the reason for amendment, along with supporting documents. It should also be noted that PPFTZ amendments can only be completed if the goods in question have not yet entered customs areas or been determined for release.
- Businesses or PPJK may also request the cancellation of PPFTZ through the SKP if any errors are discovered, such as duplicate submissions, incorrect customs office destinations or the cancellation of related customs transportation notifications. Relevant supporting documents must be provided in such cases, including transportation records and proof of cancellation. The Head of the Customs Office will review all such applications and issue approvals or rejections within three working days. Additionally, PPFTZ data may be corrected based on monitoring and evaluations, provided that any errors that are discovered are the result of obvious mistakes that were made without intent and provided that the correction is necessary in order to ensure conformity with business process characteristics.



# Miscellaneous

## **67. Regulation of Minister of Primary and Secondary Education No. 2 of 2025 on Guidelines for Supervision of the Use of the Indonesian Language**

Enforcement Date: 25 February 2025

Summary:

- Use of Indonesian language is to be supervised based on the principle of Indonesian language usage prioritization, while this Regulation has now affirmed that at least 13 types of official documents (e.g. legislation, official state documents, memoranda of understanding or agreements involving Indonesian nationals or entities and so forth) and eight types of landscape objects (e.g. geographical names of locations in Indonesia, names of Indonesian-owned buildings, trademarks, institutions and so forth) will now be subject to supervision by the Minister of Primary and Secondary Education, as well as by the relevant governors and regent/mayors in accordance with their respective jurisdictions.
- The above supervision will be implemented through four main activities (i.e. dissemination, oversight, counseling and evaluation). Meanwhile, the results of the overall supervision of Indonesian language usage will subsequently be utilized as a reference in relation to the following matters:  
1) Improvements to relevant policies that involve Indonesian language use;  
2) Drafting of compliance recommendations for the proper and correct use of the Indonesian language; and/or  
3) Bestowal of awards to institutions and/or individuals that fulfill certain quality criteria relating to the proper and correct use of the Indonesian language.

## **68. Regulation of the Minister of Immigration and Corrections No. 2 of 2025 on Immigration Supervision and Administrative Immigration Measures**

Enforcement Date: 7 March 2025

Summary:

- This Regulation has now consolidated the applicable framework on the supervision of immigration through the repeal and replacement of the following frameworks: 1) Regulation of the Minister of Law and Human Rights ("**Minister**") No. 50 of 2016 on the Foreign Nationals Monitoring Team; and 2) Regulation of the Minister No. 4 of 2017 on Immigration Supervision Procedures.

- Overall, this Regulation contains a number of detailed provisions that address the covert surveillance of foreign nationals in specific situations. Said surveillance may be conducted through several methods that break down as follows: 1) Interviews without the interviewers revealing their true identities; 2) Direct observation of targets; 3) Covert tracking that is facilitated through the use of technology; 4) Physical tailing of subjects; and 5) Infiltration of locations suspected of being the whereabouts of targets.
- The immigration surveillance of foreign nationals should be implemented in several phases, including: 1) During the visa application process; 2) Upon entry into or exit from Indonesia; 3) When securing a residency permit; and 4) While foreign nationals are present and engaged in activities within Indonesian territory.

### **69. Regulation of the Indonesian National Police Force No. 3 of 2025 on the Functional Police Supervision of Foreign Citizens**

Enforcement Date: 10 March 2025

Summary:

- Broadly speaking, this Regulation outlines the authority of the Indonesian National Police Force to engage in the functional supervision of foreign citizens residing in Indonesia through the following coordination efforts with relevant institutions: 1) Participation in monitoring teams in accordance with applicable laws; and 2) Interoperability of implementation data for foreign citizens staying in Indonesia.
- Moreover, the above-mentioned functional supervision of foreign citizens broadly comprises various phases and processes that encompass the following: 1) Administrative supervision (i.e. gathering of information and data from individuals who provide lodgings to foreign citizens, as well as the issuance of police clearance certificates to foreign citizens who engage in journalistic and research activities within specific locations); and 2) Operational supervision in accordance with applicable law.

### **70. Decree of the Head of the Supreme Court No. 15/KMA/SK.HK2/II/2025 on Guidelines for the Prevention and Management of Conflicts of Interest During Case Resolutions at the Supreme Court**

Enforcement Date: 10 February 2025

Summary:

- In order to ensure judicial transparency, Decree of the Head Justice of the Supreme Court (*Mahkamah Agung* – “**MA**”) No. 15/KMA/SK.HK2/II/2025 on Guidelines for the Prevention and Management of Conflicts of Interest During Case Resolutions at the MA (“**Decree 15/2025**”) seeks to uphold

judicial integrity by mandating that judges should disclose any relationships and affiliations that they have that may lead to the emergence of conflicts of interest. This includes family ties up to the third degree of separation, as well as social connections and financial interests. Judges are required to update these disclosures through the Court Information System (*Sistem Informasi Pengadilan/SIP*).

- Judges must resign from cases if they have any conflicts of interest, thereby ensuring fair and impartial proceedings. When a judge steps down, the Head of the MA will appoint a substitute judge. This recusal process applies to conflicts that arise in relation to familial, social or financial associations, thereby preventing any undue influence on legal rulings.
- The Deputy Chief Justice for Developmental Affairs at the MA is responsible for overseeing the implementation of this new framework and for ensuring that all judges adhere to the new guidelines. Additionally, the Decree will be subject to annual reviews in order to ensure compliance. Ultimately, Decree 15/2025 is hoping to buttress public trust in Indonesia's judicial system through improved transparency and accountability.

## **71. Guidelines of the Prosecutor-General No. 1 of 2025 on the Imposition of Conditional Sentences, Supervisory Sentences and Social Work Sentences**

Enforcement Date: 24 February 2025

Summary:

- Through a consideration of the various objectives of and guidelines for punishment, conditional sentences, supervisory sentences and social work sentences may be imposed in cases where: 1) The defendant is over 75 years old; 2) The defendant is a first-time offender; 3) The loss and suffering of the victim is not too great; 4) The defendant has already paid compensation to the victim; 5) The defendant did not realize that the criminal act that he/she committed would lead to major losses; etc. Further provisions that address these issues are set out under these guidelines.
- Prior to the imposition of this type of punishment, the Public Prosecutor must examine cases in the following stages: 1) Pre-adjudication; 2) Adjudication; and 3) Post-Adjudication, the terms and conditions of which are further regulated under the guidelines.

## **72. Draft Bill on Criminal Procedural Law**

Enforcement Date: -

Summary:

- The Draft Bill attempts to modernize Indonesia's various criminal procedures through the integration of information technology, thereby

allowing for crimes to be reported via telecommunications systems and also allowing for the recognition of electronic evidence. The Draft Bill also introduces digital forensic regulation, which should ensure the authenticity and lawful acquisition of all electronic evidence. In this regard, if any evidence is ultimately deemed inauthentic or unlawfully obtained, then it will be declared inadmissible in court.

- The Draft Bill explicitly recognizes corporations as subjects of criminal law. In this regard, corporate defendants must be represented by an executive in court and, if convicted, then they may face the imposition of additional penalties, including asset seizures and the revocation of their business licenses. Corporations must also pay any mandated restitution within 30 days otherwise enforcement measures, such as auctions of their assets, will be initiated.
- The Draft Bill also introduces an alternative dispute resolution mechanism that allows for cases to be settled externally to the court system through agreements that are drawn up between perpetrators, victims and prosecutors. If such an agreement is reached, then the relevant prosecution will be formally terminated through judicial approval.