

Regulation Summary - August 2025

General Corporate

1. Regulation of the Government No. 34 of 2025 on Procedures for the Management of the Assets of the Anagata Nusantara Investment Management Agency

Enforcement Date: 5 August 2025

Summary:

- This Regulation establishes a new framework for the management of assets by the Investment Management Agency (*Badan Pengelola Investasi*) of Daya Anagata Nusantara ("**BPI Danantara**") and details various asset categories, permitted utilizations and profit allocations. This new framework outlines six categories of assets, which include shares, securities, cash or its equivalent, receivables and/or land or buildings (collectively referred to as "**Assets**"). These assets may be utilized for investment or operational purposes, as well as for state contributions or the establishment of reserves that will be used in order to mitigate investment and capital risks.
- In order to optimize the values of assets, BPI Danantara may collaborate with third parties, including investment and operational holdings (collectively referred to as "**Holdings**"), through tenders, limited selections or direct appointments. Said collaborations may be conducted through management authority and/or other forms of cooperation (e.g. leases, asset utilization). In addition to collaborations, BPI Danantara may also engage in transfers of assets, as well as direct or indirect investments.
- In terms of financing, BPI Danantara is permitted to secure loans from both domestic and foreign sources and can also provide loans to Holdings, which may be supported by guarantees. Additionally, BPI Danantara may write off any non-performing receivables, worthless investments or obsolete assets. Finally, forgiveness for receivables, which must be proposed as part of an annual work plan, does not eliminate the authority of BPI Danantara to recover related debts.

2. Regulation of the Minister of Finance No. 55 of 2025 on Procedures for the Implementation of Interest/Margin Subsidy for Credit in Labor-Intensive Industries

Enforcement Date: 1 August 2025

Summary:

- The Minister of Finance (“**Minister**”) has introduced a regulatory framework governing the procedures for implementing Interest/Margin Subsidies (collectively referred to as “**Subsidies**”) under Labor-Intensive Industrial Credit (*Kredit Industri Padat Karya* – “**KIPK**”) scheme. In this regard, financial institutions or cooperatives that meet certain requirements (collectively referred to as “**Distributor**”) are responsible for proposing and distributing the Subsidies. Each Distributor must prepare an annual Distribution Work Plan (*Rencana Target Penyaluran/RTP*), which must contain data on distribution targets, billing, and performance, broken down per province.
- Subsidies may be granted to individuals or business entities (“**Recipients**”) operating in sectors designated as labor-intensive industries. In administering the Subsidies, Distributors may allocate the credit ceiling by province, provided that total disbursements do not exceed the established limits. Any credit disbursement beyond the approved target will not qualify for Subsidies coverage. The applicable Subsidy rate is set at 5% annually, although this rate may be adjusted by the Minister.
- Furthermore, Distributors may enter into cooperation agreements with guarantors or KIPK insurers (collectively referred to as “**Guarantors**”) to provide guarantees or insurance coverage. Such coverage is permitted only if the total collateral required from the Recipient is less than the approved KIPK financing amount. In this regard, the Guarantors may impose service fees, such as premiums or guarantee fees, as mutually agreed with the Distributor.

3. Regulation of the Minister of Minister of Investment and Downstream Industry/Head of the Investment Coordinating Board No. 2 of 2025 on the Organization of Competency Development Through Integrated Learning System in the Investment, Downstreaming and Capital Investment Sector

Enforcement Date: 1 August 2025

Summary:

- At its core, every civil servant is mandated to participate in the development of civil servant competencies through continuous learning. In this regard, competency development shall be organized according to the following phases: 1) Stipulation of the needs and plans for competency development; 2) Implementation of the competency development; and 3) Evaluation of the competency development.
- As the abovementioned competency development is to be facilitated through an integrated learning system in the fields of investment, downstreaming, and capital investment, officially known as *Investment Corpu*, this Regulation affirms that the organization of said integrated learning system comprises of the following aspects: 1) The structure of the *Investment Corpu*; 2) Knowledge management; 3) Learning forums; 4)

Learning systems; 5) Learning strategies; 6) Learning technology; and 7) System integration.

4. Regulation of the Minister of Law No. 27 of 2025 on the Implementing Regulation to Regulation of the Government No. 56 of 2021 on the Management of Copyrighted Song and/or Music Royalties

Enforcement Date: 7 August 2025

Summary:

- Song and/or music copyright royalties will be managed (“**Royalties Management**”) by the National Collective Management Agency (*Lembaga Manajemen Kolektif Nasional* – “**LMKN**”) in line with the following three core phases: 1) Collection (*penarikan*); 2) Pooling (*penghimpunan*); and 3) Distribution. In addition to clarifying and detailing procedures for the aforementioned collection and pooling of royalties, this framework also outlines a total of 23 analog (e.g. hotels, restaurants, shopping centers and so forth) and six digital (e.g. audio/video streaming) services that are classified as commercial public services (i.e. services that involve the use of songs and/or music that are accessible to the public with the aim of generating economic profit). These services will now be subject to mandatory royalty payments. It should be noted that this new framework also confirms that the obligation to pay specified royalties during the provision of such commercial services rests with the relevant business organizers or owners.
- This framework mandates that Collective Management Agencies (*Lembaga Manajemen Kolektif* – “**LMK**”) should upload all data/information on creators, copyright holders or related rights owners to the Song and/or Music Data Center (*Pusat Data Lagu dan/atau Musik* - “**PDLM**”) within one year of the issuance of the relevant operational license or the date of enforcement of Regulation 27/2025 (i.e. by 7 August 2026). Any failure to comply with this obligation may result in the revocation of an operational LMK license.
- While retaining the previous requirements for becoming an LMKN commissioner, this framework stipulates that LMKN commissioners will be selected through an open selection mechanism organized by a selection committee. Moreover, the LMKN will also be assisted by LMKN representatives in provincial regions across the country.

5. Regulation of the Minister of Immigration and Corrections No. 10 of 2025 on the Addition of Countries, Governments of Special Administrative Regions of Countries and Certain Entities or Holders of Specific Residency Permits to the List of Countries Granted Visa-Free Visit Privileges

Enforcement Date: 12 August 2025

Summary:

- In comparison with the now-revoked framework of Regulation of the Minister of Immigration and Corrections No. 9 of 2025 (“**Regulation 9/2025**”), this new Regulation has now expanded the list of countries whose citizens, governments of special administrative regions and certain entities are eligible to secure visa-free visit privileges in order to enter Indonesian territory.
- Previously, Regulation 9/2025 outlined two countries that were eligible to secure the aforementioned visa-free visit privileges, i.e. the Republic of Türkiye and the Federal Republic of Brazil. However, this Regulation has now included the Republic of Peru on this list.

6. Regulation of the Minister of Investment and Downstream Industry/Head of the Investment Coordinating Board No. 3 of 2025 on the Amendment to Regulation of the Minister of Investment/Head of the Investment Coordinating Board No. 1 of 2022 on Procedures for the Implementation of Investment Sector Partnerships Between Large-Scale Enterprises and Micro-, Small- and Medium-Scale Enterprises in Regions

Enforcement Date: 13 August 2025

Summary:

- This Amendment clarifies that large-scale enterprises that are classified in priority investment business sectors and/or business sectors and that are required to form partnerships with Micro-, Small- and Medium-Scale Enterprises (*Usaha Mikro, Kecil dan Menengah* - “**UMKM**”) should now submit their partnership commitment letters via the Online Single Submission (“**OSS**”) system. In addition, the Amendment also clarifies that the aforementioned partnership commitments with UMKM within regions should also be implemented through the prioritization of UMKM that are owned by persons with disabilities and/or that employ persons with disabilities.
- The Amendment also clarifies that if a UMKM that engages in a partnership with a large-scale enterprise (as described above) ultimately grows into a large-scale enterprise itself, then the original large-scale enterprise with which they had previously formed a partnership will then be required to establish a new partnership with another UMKM within one year of the former UMKM becoming a large-scale enterprise. Furthermore, the relevant former UMKM itself is also required to form a partnership with another UMKM, also within one year of said entity becoming a large-scale enterprise.
- Ultimately, in terms of the drawing up of mandatory reports on the implementation of the above-outlined UMKM partnerships, which should be

submitted via the OSS system, the Amendment clarifies that said reports should also include follow-ups to partnership commitment letters and partnership agreements, as well as details of the relevant partnership agreements and/or partnerships in the form of corporate social responsibility.

Banking

7. Regulation of the Financial Services Authority No. 18 of 2025 on Transparency and the Publication of Bank Reports

Enforcement Date: 8 February 2026

Summary:

- While maintaining the core provisions that specifically address the mandatory publication of reports (“**Reports**”) by commercial banks (“**Banks**”) that engage in conventional business activities, this new framework has now expanded the scope of said Reports to encompass the following additional report types: 1) Sustainability Reports; 2) Annual integrated governance implementation Reports for Banks that act as the Holding Companies of Financial Conglomerates (*Perusahaan Induk Konglomerasi Keuangan/PIKK*); and 3) Annual financial statements for Banks that are issuers or public companies. Furthermore, the framework of Regulation 18/2025 mandates that the overall responsibility to ensure the completeness and accuracy of all Reports lies with the memberships of Boards of Directors of relevant Banks, with Boards of Commissioners or Sharia Supervisory Boards responsible for the supervision of this duty.
- The framework of Regulation 18/2025 has also revised the applicable timelines that Banks must comply with in relation to the submission of their mandatory financial statements and financial performance information (collectively referred to as “**Financial Reports**”) via their official websites. The applicable deadline for said quarterly Financial Reports is now dependent on the availability of audit reports from public accountants. Moreover, Regulation 18/2025 also newly requires Banks to draw up semesterly Financial Reports for data at the end of June and/or December. These statements and information should be drafted in a comparative format in accordance with financial accounting standards.
- Regulation 18/2025 has also revised the various types of administrative sanctions that may be imposed upon any Banks that violate their reporting obligations. The new sanctions include: 1) Prohibition on the expansion of business activities; and 2) Downgrading of governance factors as a part of Bank soundness assessments. However, it should be noted that any examinations, decisions and sanctions that were imposed in response to reporting violations committed by Banks prior to the enforcement of

Regulation 18/2025 will continue to be processed based on the framework of Regulation 37/2019.

8. Draft Regulation of the Financial Services Authority on the Use of Foreign Workers by Commercial Banks and Knowledge Transfer Programs for Commercial Banks

Enforcement Date: -

Summary:

- Commercial banks ("**Banks**") with 25% or more of their shares owned by foreign citizens and/or legal entities may only hire foreign workers (*Tenaga Kerja Asing* – "**TKA**") in order to occupy the following positions: 1) Board of Directors ("**BoD**") members; 2) Board of Commissioners ("**BoC**") members; 3) Executive officers; 4) Experts or consultants; and/or 5) Positions requiring specialized expertise in order to develop banking systems, technologies and innovations, and/or or positions requiring knowledge of a specific country's language, culture and legal system. Meanwhile, Banks with less than 25% foreign ownership may only employ TKA as experts or consultants.
- Banks may only employ TKA to undertake work relating to the following areas: 1) Primary parties, including BoD and BoC; 2) Treasury; 3) Risk management; 4) Information technology; 5) Credit or financing; 6) Investor relations; 7) Marketing; 8) Finance; 9) Operations; and/or 10) Internal audits. Moreover, any Banks that employ TKA as executive officers, in specialized positions or as experts/consultants are required to organize and implement knowledge transfer programs.
- The duration of any TKA term of employment is subject to certain specific limits. For BoD and BoC, a TKA's term of office should be approved during a general meeting of shareholders, while for executive officers, experts, consultants and other positions, the maximum term of office has been set at five years. Accordingly, Banks must submit utilization reports that detail their TKA performance and the implementation of their knowledge transfer programs on an annual basis at least. Said TKA utilization reporting forms part of the relevant annual business plan realization reports.

9. Draft Regulation of the Financial Services Authority on the Internal Liquidity Adequacy Assessment Process for Commercial Banks

Enforcement Date: -

Summary:

- Commercial banks ("**Banks**") are required to implement the Internal Liquidity Adequacy Assessment Process ("**ILAAP**") in accordance with the

overall sizes, characteristics and complexities of their various business activities. The ILAAP is defined as an integral part of Banks' liquidity risk management. In this regard, all Banks must ensure that their processes of liquidity management are in line with their stipulated risk appetites and risk tolerances.

- Banks are required to draw up and submit the following types of reports: 1) ILAAP Implementation Reports; 2) Monthly ILAAP Quantitative Reports; and 3) Survival Period Monitoring ("**SPM**") Reports. These reports must be submitted for the first time at the end of December 2026 through an electronic system designated by the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK).
- During the year prior to the first ILAAP report submission, Banks should submit the following types of trial reports: 1) Liquidity Coverage Ratio (LCR) Reports that cover significant foreign currencies, Funding Profile Reports and Intraday Liquidity Reports on a monthly basis; 2) Debt Coverage Ratio (DCR) Customer Reports and Profit-Sharing Strategy Reports on a monthly basis; and 3) Quarterly SPM Reports.

10. Draft Circular of the Financial Services Authority on Transparency and the Publication of Reports by Conventional Commercial Banks

Enforcement Date: -

Summary:

- Draft Circular of the Financial Services Authority (*Otoritas Jasa Keuangan* – "**OJK**") of 2025 ("**Draft Circular**") on Transparency and the Publication of Reports by Conventional Commercial Banks ("**Bank**") is set to introduce a new semi-annual reporting regime (June and/or December) in addition to the existing mandatory monthly, quarterly and annual submissions. Key provisions originally set out under Circular of the OJK No. 9/SEOJK.03/2020 on Transparency and the Publication of Reports by Conventional Commercial Banks ("**Circular 9/2020**") (e.g. mandatory publication through websites and five-year retention of reports) have been retained under the new Draft Circular.
- The Draft Circular is also seeking to strengthen overall governance by requiring all risk exposure and capital reports to undergo processes of internal review and affirms that said reports are the equivalent of financial statements. Meanwhile, Boards of Directors (BoD) must ensure the effectiveness of all internal controls, while Boards of Commissioners (BoC) should oversee disclosure. Banks must also provide written compliance statements that have been signed by at least one director.
- Several new reporting formats are set to be introduced, including disclosures on prudent valuation adjustments, leverage ratios, credit quality, market risk and operational risk indicators. Reports will have to be submitted quarterly or annually, with December being set as the consolidated submission deadline for annual reporting.

Capital Market

11. Circular of the Board of Directors of PT Bursa Efek Indonesia No. SE-00003/BEI/08-2025 of 2025 on Procedures for the Submission of Reports and/or Applications Regulated under Trading Regulations by Stock Exchange Members to the Stock Exchange

Enforcement Date: 15 August 2025

Summary:

- In addition to the various types of reports and/or applications that stock exchange members may submit to the Indonesian Stock Exchange (*Bursa Efek Indonesia* – “**BEI**”) via electronic systems, as stipulated under Circular of the Board of Directors of PT BEI No. SE-00001/BEI/03-2025 (“**Circular 1/2025**”), this Circular has now expanded said submissions to include the reporting of Short Selling Transaction Activities by Stock Liquidity Providers, as regulated under Point IV.8.1 of Decree of the Board of Directors of PT BEI No. II-Q on Stock Liquidity Provider Activities Through the Stock Exchange. The issuance of this new Circular has resulted in the simultaneous revocation of Circular 1/2025.

Employment

12. Decree of the Minister of Manpower No. 258 of 2025 on the Stipulation of Indonesian National Work Competency Standards for the Category of Mining and Excavation in the Main Group of Mining Support Services Within the Drilling Fluids, Completion and Workover of Wells Sector

Enforcement Date: 29 July 2025

Summary:

- This Decree stipulates Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* – “**SKKNI**”) for the drilling fluids, completion and workover of wells sector. These SKKNI are comprehensively outlined under the Appendix to this Decree and will now serve as a reference during the drawing up of national qualification levels and the organization of education and training programs, as well as in

relation to competence certification. It should be noted that the new SKKNI will be subject to a process of review every five years or whenever such reviews are deemed necessary.

- In comparison with the now revoked Decree of the Minister of Manpower No. 194 of 2017 (“**Decree 194/2017**”) that served as the previous basis for the stipulation of SKKNI for the drilling fluids, completion and workover of wells sector, this Decree has now expanded the list of relevant competence units for this sector from four to 10 units. These newly incorporated and specified competence units include: 1) Conducting of studies and calculations of fluid usage implementation; 2) Preparation of work implementation programs for fluid preparation; 3) Preparation of fluid in accordance with the established program; 4) Drawing up of activity reports on fluid preparation and management; and 5) Evaluations of fluid usage.
- It should be noted that the application of the SKKNI to the above-mentioned drilling fluids, completion and workover of wells sector, as previously implemented based on Decree 194/2017, must be brought into line with the provisions set out under this Decree within six months of the enforcement of the new framework, i.e. by 29 January 2026.

13. Decree of the Minister of Manpower No. 259 of 2025 on the Stipulation of Indonesian National Work Competency Standards for the Category of Electricity, Gas, Steam/Hot Water and Air Conditioning Supplies in the Main Group of Electricity, Gas, Steam/Hot Water and Air Conditioning Supplies Within the Oil-and-Gas Electrical Engineering Sector

Enforcement Date: 29 July 2025

Summary:

- This Decree stipulates Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* – “**SKKNI**”) for the oil-and-gas electrical engineering sector. These SKKNI are comprehensively outlined under the Appendix to this Decree and will now serve as a reference during the drawing up of national qualification levels and the organization of education and training programs, as well as in relation to competence certification. It should be noted that the new SKKNI will be subject to a process of review every five years or whenever such reviews are deemed necessary.
- A total of 31 relevant competence units is outlined under the Appendix to the Decree, including: 1) Application of electrical occupational health and safety within the oil-and-gas industrial workplace; 2) Modification of electrical systems; 3) Maintenance of electrical equipment (e.g. power generation units, uninterruptible power supply units and distribution panel units); 4) Analysis of operational disturbances that occur within electrical equipment; and 5) Planned maintenance of electrical equipment.

- Previously, matters relating to the SKKNI that apply within the oil-and-gas electrical engineering sector were specifically addressed under the framework of Decree of the Minister of Manpower No. 133 of 2018 (“**Decree 133/2018**”), which has now been repealed and replaced. By way of comparison, Decree 133/2018 previously outlined a total of 50 competence units that were relevant to the oil-and-gas electrical engineering sector, some of which have no longer been retained under the new framework of this Decree (e.g. interpretation of electrical diagrams and collaborations during emergency response efforts).

14. Decree of the Minister of Manpower No. 260 of 2025 on the Stipulation of Indonesian National Work Competency Standards for the Category of Mining and Excavation in the Main Group of Crude Oil, Natural Gas and Geothermal Mining within the Environmental Management System Sector

Enforcement Date: 29 July 2025

Summary:

- The Decree of the Manpower (“**Minister**”) No. 260 of 2025 (“**Decree 260/2025**”) now update the Indonesian National Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* – “**SKKNI**”) for the Category of Mining and Excavation in the Main Group of Crude Oil, Natural Gas and Geothermal Mining in the Environmental Management System (*Sistem Manajemen Lingkungan* – “**SML**”). This new Decree replaces and repeals the framework that outlined the previously applicable SKKNI for the SML. i.e. Decree of the Minister No. 281 of 2016 (“**Decree 281/2016**”).
- While maintaining the majority of core competency units originally featured under the now-revoked Decree 281/2016, the framework of Decree 260/2025 redefines the list of competency units for the SML by reducing the number of units from 21 to 14 units that were previously governed by Decree 281/2016. In addition to consolidating separate units into one broader competency units, Decree 260/2025 also updated the reference of International Organization for Standardization (“**ISO**”) 14001 on Environmental Management Systems by adopting the 2015 version of the standard.
- Organizations applying SKKNI for SML based on Decree 281/2016 are required to realign with Decree 260/2025 within a six-month period of its enforcement, with a final deadline of 29 January 2026.

15. Circular of the Director-General of Immigration No. IMI-453.GR.01.01 of 2025 on Visit Visa Policy for Prospective Foreign Workers for C18 Index Work Ability Testing Within the Context of the Prevention of the Employment of Foreign Workers Who Do Not Comply with Provisions

Enforcement Date: 4 June 2025

Summary:

- This new Circular delegates the Director of Visas and Travel Documents to the issuance of Visit Visas (C18 Index) to candidate foreign workers who are undergoing probationary periods. Said visas are valid for up to 90 days with no extensions available, while visa applications must be rejected if they are submitted more than once by a single guarantor company. In addition, the new Circular mandates that the Heads of Regional Immigration Offices should provide guidance and oversee immigration services and the monitoring of all foreign citizens who have secured this type of visa.
- Furthermore, the Circular further mandates that the Heads of Regional Immigration Offices should: 1) Issue Visit Stay Permits (*Izin Tinggal Kunjungan* – “ITK”) with a maximum 90-day validity and with no extensions available; 2) Reject all extension requests that are submitted more than once by a single company guarantor; 3) Disseminate the new ITK policy, which prohibits all visa holders from receiving any compensation or wages, selling any goods/services or overstaying their visas; and 4) Assign immigration officers to monitor and enforce these prohibitions.

Energy

16. Circular of the Special Task Force for Upstream Oil-and-Gas Business Activities No. EDR-0254/SKKIH0000/2025/S0 on the Third Amendment to Guidelines for Procurements of Goods/Services

Enforcement Date: 5 August 2025

Summary:

- The Third Amendment has now revised the prequalification requirements for procurements of goods and services that must be met by Cooperation Contract Contractors (*Kontraktor Kontrak Kerja Sama* – “KKKS”). In terms of the requirements for consultancy service tenders, the threshold has been raised to Rp. 75 billion or US\$ 5 million, with eligible participants limited to Domestic Investment Companies (*Perusahaan Penanaman Modal Dalam Negeri* – “PMDN”), PMDN consortiums and/or PMDN with Foreign Investment Company (*Penanaman Modal Asing*/PMA) consortiums.
- In terms of the contract preparation stage, the Third Amendment requires KKKS to include only domestically produced goods that meet the technical standards that are set out in the Approved Manufacturer/Vendor List (AML/AVL). Additionally, all payments, including those that are made by foreign contractors, must be exclusively completed by state-owned (*Badan*

- Usaha Milik Negara/BUMN*) banks, regional government-owned (*Badan Usaha Milik Daerah/BUMD*) banks or national private commercial banks.
- In terms of the available tender mechanisms, the Third Amendment has shortened the deadline for the issuance of award letters to just three business days, has extended the contract signing period to 45 business days and now requires Special Task Force for Upstream Oil-and-Gas Business Activities (*Satuan Kerja Khusus Pelaksanaan Kegiatan Usaha Hulu Minyak dan Gas Bumi/SKK Migas*) approvals to be issued for any final bid values that exceed Rp. 300 billion or US\$ 20 million.

17. Decree of the Head of the Special Task Force for Upstream Oil-and-Gas Business Activities No. KEP-0082/SKKIA0000/2025/S9 of 2025 on the Second Amendment to Provisions of the Working Procedure Guidelines on Supply Chain Management Book Two Regarding Guidelines on the Implementation of Goods/Services Procurements Revision-05 No. PTK-007/SKKIA0000/2023/S9

Enforcement Date: 1 August 2025

Summary:

- This Decree revises efforts to strengthen national capacity through the optimization of Domestic Component Level (*Tingkat Komponen Dalam Negeri – “TKDN”*), utilization, as well as through the development of domestic goods/services, the application of price preferences based on TKDN for service tenders, and the strengthening of collaborations with Production Sharing Contractors (*Kontraktor Kontrak Kerja Sama – “KKKS”*) under the gross-split scheme.
- Moreover, this Decree also clarifies that the Special Task Force for Upstream Oil and Gas Business Activities (*Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi – “SKK Migas”*) may now determine certain tender strategies if several tender packages or similar contracts are carried out simultaneously or between several KKKS that are located close to each other. Said tender strategies should consider several factors, including avoidance of any risk relating to production capacities and/or workloads from all projects through a single goods or services provider.
- Furthermore, this Decree has also amended several details regarding the imposition of sanctions and their various categories, including the period for the issuance of red and yellow category sanctions. In this regard, sanctions were previously determined in relation to KKKS cost recovery as lasting up to 30 days, however, a new duration of up to 60 days after a given violation occurs has now been introduced. The new Decree also clarifies that proof of improvement regarding any violation relating to KKKS cost recovery may reduce the imposed sanction duration by half but will not reduce the relevant probationary period. Furthermore, sanctions will now be imposed after the issuance of official Recommendations for the Determination of the Imposition of Sanctions by SKK Migas.

Environment

18. Regulation of the Minister of Environment/Environmental Management Agency No. 5 of 2025 on the Implementation of the Adiwiyata Program

Enforcement Date: 31 July 2025

Summary:

- This Regulation revokes and replaces: 1) Regulation of the Minister of Environment and Forestry (“**Minister**”) No. P.52/MENLHK/SETJEN/KUM.1/9/2019 on the Environmental Care and Culture Movement for Schools, as amended by Regulation of the Minister No. 23 of 2022 (collectively “**Regulation 52/2019**”); and 2) Regulation of the Minister No. P.53/MENLHK/SETJEN/KUM.1/9/2019 on the Adiwiyata Award (“**Regulation 53/2019**”).
- This new framework has now revised the objectives of the Adiwiyata Program (“**Program**”), as originally set out under Regulation 53/2019. These revisions now apply to: 1) Primary schools and/or Islamic primary schools (*madrasah ibtidaiyah*); 2) Junior high schools and/or Islamic junior high schools (*madrasah tsanawiyah*); 3) Senior high schools and/or Islamic senior high schools (*madrasah aliyah*); and 4) Vocational high schools and/or Islamic vocational high schools (*madrasah aliyah kejuruan*). Eligible schools/madrasahs must propose themselves to their provincial or local environmental agencies in accordance with their authorities and register with the SIDIA system using an official decision letter issued by the Adiwiyata team.
- This new Regulation has also restructured the Program so that it now includes the following stages: 1) Planning (i.e. five-year and annual plans that should be incorporated into regional planning documents); 2) Implementation (i.e. coaching, action programs, infrastructure development and partnership networks); 3) Granting of awards (i.e. via team formation, assessments and awards presentations); and 4) Monitoring and evaluations (i.e. monitoring of green performance and environmental quality improvements through the Program).

19. Decree of the Minister of Environment/Head of the Environmental Management Agency No. 1375 of 2025 on the Corporate Performance Rating Program in Environmental Management

Enforcement Date: 4 July 2025

Summary:

- Decree of the Minister of Environment/Head of the Environmental Management Agency No. 1375 of 2025 on the Corporate Performance Rating Program in Environmental Management (“**Decree 1375/2025**”) addresses Indonesia’s new Corporate Performance Rating Program in Environmental Protection and Management (*Program Penilaian Peringkat Kinerja Perusahaan dalam Perlindungan dan Pengelolaan Lingkungan Hidup* – “**PROPER**”), which is a key supervision tool that will now be used in order to assess the compliance and performance of business actors in terms of their environmental protection.
- PROPER assessments are based on a combination of document reviews and field verifications. Companies are expected to demonstrate compliance with environmental permits, technical approvals and Operational Feasibility Letters (*Surat Kelayakan Operasional/SLO*), while also maintaining detailed records on emissions, waste (both hazardous and non-hazardous), the competency of their personnel and emergency response systems.
- A final PROPER rating will be designated and will determine what follow-up actions will be required (i.e. awards, technical guidance or legal enforcement). In this regard, high-performing Business Actors will be publicly recognized through the designation of Gold, Green or Blue ratings, while non-compliant Business Actors will be subject to guidance (for Red ratings) or sanctions (for repeated Red or Black ratings). Business Actors are therefore advised to proactively audit their environmental documentation and practices in order to ensure that they meet the standards of the PROPER supervision tool.

General Financial Services

20. Regulation of the Coordinating Minister for Economic Affairs No. 12 of 2025 on the Fourth Amendment to Regulation of the Coordinating Minister for Economic Affairs No. 11 of 2022 on the Guidelines for the Implementation of Community Business Credit

Enforcement Date: 8 August 2025

Summary:

- Although the core requirements that have to be met by recipients of the Community Business Credit Program (*Kredit Usaha Rakyat* – “**KUR**”) that are classified as business groups have been retained, the Fourth Amendment no longer requires the number of start-up entrepreneur members to be lower than the number of members who have already developed productive and viable businesses.

- Newly featured under the Fourth Amendment, any business partners that take the form of offtakers working with KUR recipients must formalize their cooperation through the drawing up of partnership agreements. In this regard, the Fourth Amendment clarifies that said offtakers are only eligible to provide business group certification or validations once they have met the following requirements: 1) Must have been legally incorporated and have secured valid business licenses; 2) Must operate within a business field relevant to the KUR recipient (either as individuals or business groups); 3) Must have put an electronic system in place that is integrated into a closed loop with the KUR distributor's system; and 4) Must have put an electronic system in place that is integrated into the Credit Program Information System (*Sistem Informasi Kredit Program* – “SIKP”).
- The Fourth Amendment also newly states that prospective super-micro, micro, small or special KUR recipients will now be able to enjoy exemptions in relation to certain matters as a form of relaxation. The exemptions that are available to said KUR include: 1) Exemption to additional collateral requirements; 2) Exemption to the requirement to have never previously received any commercial credit/financing; 3) Exemption to the requirement to comply with tiered interest/margin rates that apply to micro- and small-scale KUR recipients; 4) Exemption to restrictions on repeated access that apply to micro- and small-scale KUR recipients; and 5) Exemption to minimum duration requirements that apply to productive and financeable businesses.

21. Regulation of the Minister of Finance No. 58 of 2025 on the Second Amendment to Regulation of the Minister of Finance No. 82/PMK.02/2016 on Procedures for the Provision, Disbursement and Accountability of Universal Postal Service Operational Assistance Funds

Enforcement Date: 5 August 2025

Summary:

- By revising Minister of Finance Regulation No. 82/PMK.02/2016 on Procedures for the Provision, Disbursement and Accountability of Universal Postal Service Operational Assistance Funds (“**Regulation 82/2016**”), this new Regulation now clarifies various definitions relating to the State General Treasurer Budget Implementation Form (*Daftar Isian Pelaksanaan Anggaran Bendahara Umum* – “**DIPA BUN**”) and the State General Treasurer Budget User Authority (*Kuasa Pengguna Anggaran Bendahara Umum Negara* – “**KPA**”). These areas were previously addressed by several articles under Regulation 82/2016 but were not clearly defined.
- Furthermore, the new framework no longer includes any details relating to the various types of decisions that can be made by the KPA, as previously outlined under Regulation 82/2016. In addition, this new Regulation stipulates that reports on the implementation of the universal postal service operational assistance program must be submitted to the following

authorities: 1) The Director-General of the Digital Ecosystem at the Ministry of Communication and Digital Affairs; 2) The Director-General of Budgeting and Non-Tax State Revenue at the Ministry of Finance; and 3) The Director-General of Treasury at the Ministry of Finance.

22. Circular of the Financial Services Authority No. 18/SEOJK.03/2025 on Fit-and-Proper Assessments of the Main Parties of Non-Operational Holding Companies of Financial Conglomerates

Enforcement Date: 24 July 2025

Summary:

- Main parties of non-operational holding companies of Financial Conglomerates (*Perusahaan Induk Konglomerasi Keuangan* – “**PIKK**”) will now be subject to mandatory fit-and-proper assessments that will be organized by the OJK. These main parties include candidate or prospective members of the following groups: 1) Controlling shareholders (*Pemegang Saham Pengendali* – “**PSP**”); 2) Boards of Directors (“**BoD**”); 3) Boards of Commissioners (“**BoC**”); 4) and/or Sharia Supervisory Boards (*Dewan Pengawas Syariah* – “**DPS**”).
- Broadly speaking, the aforementioned fit-and-proper assessments will be organized by taking into account the following four core assessment factors: 1) Integrity; 2) Financial reputation; 3) Financial feasibility (for PSP candidates only); and 4) Competency. However, these main parties are also required to comply with various ownership and management requirements for Non-Operational PIKK, as stipulated by the OJK. Overall, fit-and-proper assessments will be implemented in line with the following main phases: 1) Drafting of compliance checklists that relate to the required administrative documents; 2) Submission of required administrative documents; 3) Implementation of administrative assessments; and 4) Issuance of fit-and-proper assessment results, as stipulated by the OJK.
- The results of fit-and-proper assessments will be provided by the OJK within 30 business days of submitted documents being deemed complete and correct. However, any rejected PSP candidates who have failed to meet the applicable integrity requirements will be required to divest all of their shares within one year of the relevant date of rejection and must also abstain from assuming any controlling role. Furthermore, rejected PSP candidates who have failed to meet the applicable financial feasibility requirements will also be required to transfer their shares along with their shareholder rights (i.e. voting, RUPS attendance and receipt of dividends), although this process will be limited to the original share amount prior to the relevant acquisition being triggered.

Land & Property

23. Regulation of the Coordinating Minister for Economic Affairs No. 13 of 2025 on Guidelines for the Implementation of the Housing Credit Program

Enforcement Date: 8 August 2025

Summary:

- Broadly speaking, the Housing Credit Program provides credit/financing to individuals or business entities that are categorized as Micro-, Small- and Medium-Scale Enterprises (*Usaha Mikro, Kecil dan Menengah* - “**UMKM**”) and that operate within the housing sector. In essence, the Housing Credit Program breaks down into two schemes: 1) Supply side (i.e. for land acquisition and purchases of building materials, as well as goods/services required for the construction of housing or residential buildings); and 2) Demand side (i.e. for the purchase, construction or renovation of housing in order to support business activities).
- The supply-side component of the Housing Credit Program is specifically aimed at housing developers, contractors and traders of building materials as program recipients (“**Recipients**”). The Housing Credit Program supply-side component has a loan ceiling of between Rp. 500 million and Rp. 5 billion. Meanwhile, no specific limitation has been set for demand-side Recipients under the Housing Credit Program, the loan ceiling for which has been set at between Rp. 10 million and Rp. 500 million.
- This framework specifies that parties eligible to disburse Housing Credit Program (“**Distributors**”) funding should be distributors of Community Business Credit Program (*Kredit Usaha Rakyat* – “**KUR**”) funding that have established KUR disbursement ceilings and that are not currently subject to any temporary suspensions. Moreover, Distributors should take the form of either the following types of entities (whether they operate based on sharia principles or conventionally): 1) Financial services institutions supervised by the Financial Services Authority; or 2) Savings and loan cooperatives.

24. Regulation of the Minister of Housing and Settlement Areas No. 13 of 2025 on Recipient Criteria and the Credit Ecosystem for the Housing Program

Enforcement Date: 22 August 2025

Summary:

- This Regulation introduces various criteria for recipients of the Housing Credit Program (*Kredit Program Perumahan* – “**KPP**”) for the provision of housing. Eligible recipients comprise individuals or business entities that are classified as Micro, Small and Medium-Scale Enterprises and that have

registered with the Credit Program Information System (*Sistem Informasi Kredit Program*/SIKP).

- KPP recipients receive credit directly from the KPP provider, with possible loan amounts ranging from Rp. 500 million to Rp. 5 billion. These loans can be disbursed as a lump sum, in stages or on a revolving basis as agreed.
- Meanwhile, KPP recipients on the demand side may receive investment loans from the KPP provider that range from Rp. 10 million to Rp. 500 million for the purchase, construction or renovation of houses. These loans can be disbursed as a lump sum or in stages, with principal repayments being completed in accordance with the capacities of recipients and through mutual agreements.

25. Decree of the Minister of Forestry No. 406 of 2025 on the Designation of National Critical Land

Enforcement Date: 23 July 2025

Summary:

- This Decree stipulates the total area of National Critical Land within Indonesia in 2024, which spans approximately 12,294,321 hectares. This allocation is categorized in line with the working areas of Watershed Management Centers (*Balai Pengelolaan Daerah Aliran Sungai*/BPDAS) and also by province. From this total, 7,094,277 hectares are located within forest areas, while 5,200,044 hectares are situated outside forest areas.
- This National Critical Land data may be updated every five years or sooner if any changes are made to the primary datasets that are used as the basis for their determination. These datasets include: 1) Land Coverage Maps; 2) Forest Area Function Maps; 3) Erosion Maps; and/or 4) Slope Steepness Maps.

Manufacturing & Industry

26. Regulation of the Minister of Industry No. 26 of 2025 on Standards for Industrial Zones and the Accreditation of Industrial Zones

Enforcement Date: 23 January 2026

Summary:

- This Regulation affirms that industrial zone companies (“**Companies**”) are required to comply with various standards that apply to industrial zones (“**Standards**”). Furthermore, any non-compliance with these Standards

may result in the imposition of administrative sanctions. Standards should encompass the following aspects at the very least: 1) Industrial zone infrastructure; 2) Environmental management; and 3) Management and services.

- In terms of the industrial zone infrastructure listed in point (1) above, this Regulation affirms that the scope of this aspect encompasses the following matters: 1) Land utilization; and 2) Basic infrastructure (e.g. road networks, drainage systems, energy, telecommunications networks and so forth). In terms of land utilization, as listed in point (1) above, this Regulation affirms that industrial zone lands must be utilized in line with the following area requirements: 1) Industrial plot areas should not exceed 70% of the total area of any industrial zone; and 2) Green open space areas should amount to at least 10% of the total area of any respective industrial zone.
- Meanwhile, in terms of the environmental management aspect of the Standards, this Regulation mandates that at least six environment-related aspects should be properly managed. These six aspects break down as follows: 1) Securing of required environmental approvals; 2) Monitoring that is completed in line with the relevant environmental management plan and detailed environmental monitoring plan; 3) Water management; 4) Wastewater management; 5) Waste management; and 6) Emissions management.
- As the third Standards-related aspect, this Regulation affirms that the management and service aspect encompasses the following matters: 1) Management of industrial zones; and 2) Provision of services (e.g. infrastructure, licensing, workforce supply and so forth) to relevant tenants.
- Ultimately, the accreditation of industrial zones ("**Accreditation**") should be organized by the Industrial Zones Committee ("**Committee**") through the implementation of the following phases: 1) Company self-declaration; 2) Verification process; and 3) Stipulation of Accreditation status. In order to secure Accreditation, this Regulation mandates that relevant Companies should submit their applications to the Committee via the National Industrial Information System (*Sistem Informasi Industri Nasional/SIINas*).

27. Regulation of the Minister of Industry No. 27 of 2025 on Procedures for the Issuance of Technical Considerations for Imports of Textiles and Textile Products

Enforcement Date: 30 July 2025

Summary:

- In comparison with the now-revoked framework of Regulation of the Minister of Industry ("**Minister**") No. 5 of 2024 ("**Regulation 5/2024**"), which was the previous framework to outline procedures for the issuance of technical considerations for imports of Textiles and Textile Products ("**TPT**"), this new Regulation has retained the three types of parties eligible to import TPT as raw materials, auxiliary materials and/or consumer goods after first securing import approvals from the Minister of Trade. These parties include: 1)

Businesses as holders of General Import Identification Numbers (*Angka Pengenal Importir Umum* – “**API-U**”); 2) Businesses as holders of Manufacturer Importer Identification Numbers (*Angka Pengenal Importir – Produsen* – “**API-P**”); and 3) Centers for Raw and/or Supporting Material Providers (*Pusat Penyedia Bahan Baku dan/atau Bahan Penolong* – “**PPBB**”).

- However, this Regulation has now expanded the conditions under which API-P companies are forbidden to import TPT as raw and/or supporting materials. These conditions now break down as follows: 1) TPT have already been imported through an API-U company during the same calendar year; or 2) Textiles have already been imported through PPBB during the same calendar year (for API-P companies that are classified as Small- and Medium-Scale Industries) (*Industri Kecil Menengah* – “**IKM**”).
- Newly featured under this Regulation, the technical recommendation prerequisite for the securing of import approvals is not required for imports of textile products that are utilized by API-P companies as consumer goods that are classified as complementary goods and/or goods for market testing purposes.
- This Regulation has also revised the list of technical recommendations that originally featured under Regulation 5/2024. In this regard, the classification of said technical recommendations currently includes the following commodity groups: 1) Textiles, carpets and other textile floor coverings; 2) Batik textiles and batik-patterned textile products; 3) Other finished textile goods; and 4) Ready-made garments and garment accessories. Previously, Regulation 5/2024 also featured the bags and footwear commodity groups, however, these groups are no longer explicitly featured under this new Regulation.

28. Regulation of the Minister of Industry No. 34 of 2025 on the Recipient Criteria for Labor-Intensive Industry Credit

Enforcement Date: 14 August 2025

Summary:

- This new Regulation stipulates that prospective recipients of Labor-Intensive Industry Credit (*Kredit Industri Padat Karya* – “**KIPK**”) comprise individuals or business entities that operate within specific labor-intensive industries (e.g. garments, textiles, furniture, kids toys, etc.) and that meet the following criteria: 1) Must comply with their business licensing commitments; 2) Must be holders of a National Industry Information System (*Sistem Informasi Industri Nasional* “**SIINas**”) account; 3) Must have submitted industry data through SIINas; and 4) Must be in compliance with their obligations for the most recent fiscal year.
- KIPK can be used to purchase new machinery or production equipment, either as an investment loan or in combination with working capital financing in accordance with an allocation set by the relevant KIPK provider.

Recipients are required to cover at least 25% of the relevant purchase values.

29. Regulation of the Nuclear Energy Regulatory Agency No. 1 of 2025 on Conformity Assessments of X-Ray Equipment Used in Diagnostic and Interventional Radiology

Enforcement Date: 4 August 2025

Summary:

- Broadly speaking, this Regulation mandates conformity assessments of the following types of X-ray machines: 1) General radiography X-ray machines; 2) Fluoroscopy X-ray machines; and 3) CT-scan X-ray machines. The various reference requirements that are used during assessments include the Indonesian National Standard (*Standar Nasional Indonesia* – “SNI”), international standards and other relevant applicable Laws.
- The specified SNI standards include the following, among others: 1) SNI IEC 60601-1:2014 Electromedical Equipment – Part 1: General Requirements for Basic Safety and Essential Performance; 2) SNI IEC 60601-1-2:2012 Electromedical Equipment – Parts 1 - 2: Electromagnetic Compatibility; 3) SNI IEC 60601-1-3:2021 Radiation Protection in Diagnostic X-Ray Equipment.
- Conformity assessments are implemented in order to ensure that the various reference requirements have been met and applied to X-ray machines that are manufactured domestically or imported into the territory of Indonesia. Applications for said assessments should be submitted by applicants, which include government agencies that utilize X-ray machines within Indonesia, as well as the following types business actors: 1) Manufacturers of X-ray machines; 2) Holders of registered trademarks operating within Indonesia; 3) Manufacturers of X-ray equipment on behalf of trademark holders; or 4) Representatives and/or distributors who are appointed by brand owners in order to trade such products within Indonesia.

Monetary & Payment System

30. Regulation of the Bank Indonesia Board of Governors No. 16 of 2025 on the Amendment to Regulation of the Bank Indonesia Board of Governors No. 13 of 2024 on Money Market Transactions

Enforcement Date: 23 July 2025

Summary:

- This Regulation has now clarified the following money market transaction matchmaking methods: 1) Match price using the same bid and ask price; 2) Mid price 1 using the midpoint between the highest bid price and the lowest ask price if the bid price is higher than the ask price; 3) Mid price 2 using the midpoint between the highest bid price and the lowest ask price if the bid price is lower than the ask price; and/or 4) Other money market transaction matchmaking methods, as determined by Bank Indonesia (“BI”). In addition, BI must stipulate the following matters in relation to the matchmaking process: 1) Types of money market transactions; 2) Money market transaction tenors; 3) Money market transaction nominal values; and so on.
- Moreover, the Regulation has also now clarified that eligible matchmaking participants comprise banks and/or other parties that are designated by BI and that submit bid and ask quotations in accordance with certain provisions, including submissions that are completed through matchmaking operators. Furthermore, the Regulation stipulates that transaction facility providers may assume the role of matchmaking operators by applying for BI approval and meeting several criteria, including criteria that relate to the following areas: 1) Transactions; 2) Interconnectivity; 3) Competence; and so forth.
- BI will either approve or reject matchmaking operator applications after considering compliance with the above-listed criteria, as well as the readiness of relevant parties to take on the role of operators, within 15 business days of the submitted supporting documents being declared substantively accurate. Designated matchmaking operators will subsequently be required to submit reports that address the implementation of matchmaking operations and that cover all offers that are submitted by participants and all money market transactions that are completed (deal done) within 30 minutes of the closure of the relevant time windows.

Natural Resources

31. Decree of the Minister of Marine Affairs and Fisheries No. 43 of 2025 on Guidelines on the Issuance of Recommendation Letters to Indonesian Fishing Companies That Enter into Capture Fisheries Cooperation with Fishing Companies from Other Countries as an Implementation of Bilateral Cooperation

Enforcement Date: 10 July 2025

Summary:

- Broadly speaking, this Decree stipulates that the Minister of Marine Affairs and Fisheries will issue a set of Guidelines on the Issuance of Recommendation Letters to Indonesian Fishing Companies That Enter into

Capture Fisheries Cooperation with Fishing Companies from Other Countries as an Implementation of Bilateral Cooperation (“**Guidelines**”) through the Director-General of Capture Fisheries (“**Director-General**”).

- This Decree also outlines various criteria that will have to be met by any fishing companies and fishing vessels that are operated by capture fisheries companies, including: 1) Must possess a Fishing License; 2) Must comply with various technical standards relating to vessels, including age, size and materials; 3) Must utilize fishing gear in accordance with applicable Laws; and so on. If these criteria are met, then eligible companies may submit written applications for recommendation letters to the Director-General along with the various required documents that are listed under the Appendix of the Decree.
- In addition to the above-outlined obligations, the Director-General is also required to submit reports on the issuance of the Guidelines on a six-monthly basis at least.

32. Decree of the Minister of Agriculture No. 320/KPTS/SR.210/B/07/2025 on Guidelines for the Implementation of Rice Farming Insurance

Enforcement Date: 21 July 2025

Summary:

- The newly introduced framework establishes Rice Farming Insurance (*Asuransi Usaha Tani Padi* – “**AUTP**”) as a program to support farmers in mitigating crop failure risks. Eligible participants must be members of officially recognized farmer groups, cultivate no more than two hectares of rice fields, and possess a valid National Identity Number. Furthermore, the insurance applies to irrigated, swamp, or rain-fed rice fields, preferably designated as sustainable agricultural land.
- AUTP coverage spans from the estimated planting to harvest dates, with a maximum insured value of Rp 6 million per hectare per planting season, subject to a 3% premium rate (i.e., Rp 180,000). It should be noted that only rice crops at least 30 days old from planting are eligible for registration as insurance objects. In this regard, Claims can be submitted if the crops meet specific age and damage criteria, such as being more than 10 days old and showing at least 75% damage.
- The framework also mandates quarterly oversight at national and regional levels to ensure effective implementation. AUTP Implementation success is measured by the provision of insurance protection during crop failures, the timely distribution of premium assistance, and the appropriate use of claim funds to sustain farming activities.

33. Decree of the Head of the Indonesian Quarantine Agency No. 2664 of 2025 on the Determination of Types of Quarantine Pests and Diseases

Enforcement Date: 30 July 2025

Summary:

- This new Decree stipulates 36 types of Animal Quarantine Pests and Diseases (*Hama dan Penyakit Hewan Karantina* – “**HPHK**”) in relation to which preventive measures must be taken against their entry into, propagation within and exit from Indonesian territory through the implementation of various types of animal quarantine actions and integrated supervision, including: 1) African horse sickness (AHS); 2) African swine fever (ASF); 3) Avian influenza; and so on.
- In addition, this new Decree also stipulates 74 types of animal diseases of concern that should be monitored at all entry and exit points as part of Indonesia’s early vigilance regime against the introduction and spread of such animal diseases within Indonesia, including: 1) Acarapisosis of honey bees/Acarine disease; 2) American foulbrood of honey bees; 3) Aujeszky’s disease/pseudorabies/mad itch/infectious bulbar paralysis; and so forth. For further details, see Appendix II of the Decree.

34. Decree of the Head of the Indonesian Quarantine Agency No. 2717 of 2025 on Guidelines for the Supervision, Observation, Researching and/or Examination and Investigation of Criminal Acts in the Animal, Fish and Plant Quarantine Field

Enforcement Date: 6 August 2025

Summary:

- This Decree will now serve as a set of guidelines for application by special civil service investigators, quarantine officials and other types of officials working for the Indonesian Quarantine Agency when carrying out the supervision, observation, researching and/or examination and investigation of criminal offenses that occur within the field of animal, fish and plant quarantine. The Appendices to the Decree further comprehensively elaborate upon the scope of these guidelines, which encompass: 1) Supervision, observations, research and/or examinations; 2) Investigations; 3) Investigative administration; and 4) Law enforcement coordination.

Non-Banking Financial Services

35. Regulation of the Minister of Finance No. 59 of 2025 on the Repurchase and Direct Sale of Government Sharia Securities and the Issuance of Government Sharia Securities as Exchange Series Within the Context of the Repurchase of Government Debt Securities

Enforcement Date: 11 August 2025

Summary:

- This new regulatory framework has revised and expanded the methods that are available for Government Sharia Securities (*Surat Berharga Syariah Negara* – “**SBSN**”) buybacks, which now comprise the auction method (“**Auction**”) and the non-auction method, which includes Bilateral Buybacks, Bookbuilding Transactions and Direct Buybacks. Meanwhile, although the Auction and Bilateral Buyback methods both featured under the previous Regulation, some related provisions have been revised. Moreover, the Auction pricing methods are now available for both multi-price and uniform price offers. Furthermore, Bilateral Buybacks will continue to apply but with revised minimum nominal thresholds for both rupiah- and foreign currency-denominated SBSN.
- This new Regulation also introduces more flexible settlement timelines when compared with the uniform T+3 period that featured under the previous framework. In this regard, settlements for Auction transactions, Direct Buybacks and Bookbuilding Transactions may now take up to five working days, while bilateral buybacks may extend to ten working days.
- Ultimately, administrative sanctions will now be imposed immediately upon any SBSN Primary Dealers that fail to complete their transactions by the relevant settlement dates. Moreover, the scope of sanctions has also been broadened to include: 1) Public announcements; 2) Warning letters; 3) Restrictions on buyback transactions; 3) Reporting obligations to the Financial Services Authority (*Otoritas Jasa Keuangan/OJK*); and 4) Immediate imposition of void status for unsettled transactions.

36. Regulation of the Financial Services Authority No. 17 of 2025 on Securities Offerings Through Information Technology-Based Crowdfunding Services

Enforcement Date: 25 July 2025

Summary:

- This Regulation has significantly increased the minimum paid-up capital requirement that has to be met by Indonesian legal entities and cooperatives that wish to engage as providers of crowdfunding services (“**Providers**”) to a minimum of Rp. 25 billion during applications for business licenses. Furthermore, this Regulation now explicitly mandates that Providers must meet a minimum equity level of Rp. 5 billion. For existing Providers or Providers that are in the process of securing business licenses,

the new equity requirement may be achieved gradually over a five-year period as follows: 1) First year: Rp. 1 billion; 2) Third year: Rp. 2.5 billion; and 3) Fifth year: Rp. 5 billion.

- Furthermore, this Regulation now requires prospective Providers to undergo a two-stage licensing process, which comprises a principal approval and a business license. In terms of the principal approval stage, prospective Providers must submit certain documents, a business plan and proof of possession of at least 50% of the required minimum paid-up capital. A principal approval will remain valid for a maximum period of 12 months from its date of issuance. Meanwhile, a business license requires possession of 100% of the minimum paid-up capital.
- Prospective primary parties of Providers (i.e. prospective controlling shareholders or founding members for cooperatives, as well as prospective Board of Directors and Board of Commissioners members) must also undergo fit-and-proper testing, as well as secure approvals from the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK). Said fit-and-proper testing will address requirements pertaining to integrity, financial feasibility, financial reputation and competence.

37. Circular of the Financial Services Authority No. 17/SEOJK.06/2025 of 2025 on Monthly Reporting by Pawnshop Companies and Sharia Pawnshop Companies

Enforcement Date: 1 December 2025

Summary:

- The enforcement of the Circular will result in the simultaneous repeal and replacement of the following frameworks: 1) Circular of the Financial Services Authority (*Otoritas Jasa Keuangan* – “OJK”) No. 12/SEOJK.05/2013 on Monthly Reporting by PT Pegadaian (“**Circular 12/2013**”); and 2) Circular of the OJK No. 5/SEOJK.05/2019 on Forms, Structures and Procedures for the Submission of Periodic Reports by Pawnshop Operators and Pawnshop Companies (“**Circular 5/2019**”).
- Broadly speaking, the following five types of monthly reports are required to be drawn up by pawnshop companies: 1) Statement of financial position; 2) Comprehensive income statement; 3) Cash-flow statement; 4) Asset-liability matching analysis report; and 5) Other types of reports. The aforementioned reports must be submitted to the OJK by the 10th day of the month following the relevant reporting month using the formats set out under the Appendices to this Circular.
- Moreover, it should be noted that in comparison with Circular 12/2013 and Circular 5/2019, this new Circular clarifies that all companies must appoint one member of their boards of directors to assume responsibility for the preparation and presentation of monthly reports. In this regard, any such assigned director must submit an application to secure access to the OJK’s data communication network system, through which they will ultimately submit their monthly reports.

38. Circular of the Financial Services Authority No. 19/SEOJK.06/2025 on the Organization of Information Technology-Based Joint-Funding Services

Enforcement Date: 31 July 2025

Summary:

- Any parties that operate as organizers (“**Organizers**”) of Information Technology-Based Joint-Funding Services (*Layanan Pendanaan Bersama Berbasis Teknologi Informasi* – “**P2P Lending**”) may now act as distribution partners for government securities, as well as engage in information service collaborations and/or other Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”) approved activities. Meanwhile, Organizers who offer P2P Lending services that are in line with sharia principles must utilize sharia-based contracts (e.g. *ijarah*, *mudharabah*, *musyarakah*, etc.), as supported by the issuance of fatwas or opinions from Sharia Supervisory Board.
- If deemed necessary by Organizers, funders (“**Funders**”) and/or funding recipients (“**Recipients**”), then General Meetings of Funders (*Rapat Umum Pemberi Dana* – “**RUPD**”) may be organized in accordance with strict implementing guidelines drawn up by the relevant Organizers. Said implementing guidelines must at least cover the RUPD mechanism and procedures, including the rights of Funders and Recipients to attend RUPD, fair decision-making processes and the provision of options for in-person or electronic meetings.
- Prior to the disbursement and receiving of any financing, both the relevant Funders and Recipients must meet various criteria that are based on citizenship, age, marital status, annual income and funding limits relative to income. The maximum funding limit per Recipient is set at Rp. 2 billion, with a conditional increase to Rp. 5 billion being permitted if a given Recipients is able to maintain a non-performing funding ratio and is not currently subject to any ongoing OJK sanctions (specifically restrictions or suspensions).

39. Draft Circular of the Financial Services Authority on Pawnshop Soundness Level Assessments

Enforcement Date: -

Summary:

- Both conventional and sharia-based pawnshop companies (collectively referred to as “**Pawnshops**”) are required to maintain certain soundness levels, which they should evaluate through annual self-assessments (“**Self-Assessments**”) that apply a risk-based approach. Said assessments

should measure factors such as capital, loan receivable quality, profitability, liquidity and management. Each of these factors is further broken down into related components and parameters that should collectively determine the relevant composite rating (*peringkat komposit* – “**PK**”).

- The PK comprises five categories, that range through PK-1 (excellent), PK-2 (Good), PK-3 (Sufficient), PK-4 (Fair) and PK-5 (Poor). Pawnshops that are rated PK-4 or PK-5 and/or that fail to meet certain financial thresholds must draw up and submit action plans to the Financial Services Authority (*Otoritas Jasa Keuangan* – “**OJK**”). Said action plans must, at the minimum, set out proposed corrective measures in order to address identified issues, along with a timeline for their completion.
- Self-Assessments must be conducted on an annual basis at the least based on positions at the end of December before finally being submitted to the OJK by no later than 15 February of the following year. Meanwhile, a given action plan must be submitted within 15 working days from the date of issuance of a related OJK notification letter. In addition, Pawnshops are also required to submit monthly reports that address the implementation of their action plans by the 10th day of the following month.

Pharmacies, Health Industry, and Foods & Drugs Standards

40. Regulation of the Coordinating Minister for Human Development and Cultural Affairs No. 2 of 2025 on Coordination of Determinations of Maximum Levels of Nicotine and Tar

Enforcement Date: 4 August 2025

Summary:

- This framework mandates that the Coordinating Minister for Human Development and Cultural Affairs (“**Minister**”) should coordinate with relevant ministries and institutions, including, among others, the Minister of Health, Minister of Industry and Minister of Trade, in order to determine maximum allowable content limits for nicotine and tar. Said coordination should aim to establish said limits for both tobacco products and electronic cigarettes.
- The coordination process comprises the following six main stages: 1) Technical preparation (i.e. collection of data and information and drafting of a study); 2) Initial plenary meeting (to agree and propose recommendations); 3) Final plenary meeting (to agree on final determinations that will be formalized in a set of meeting minutes); 4) Issuance of decisions based on the minutes; 5) Dissemination; and 6) Evaluation.

- These maximum limits will serve as a set of guidelines for use by businesses that produce, import and/or distribute tobacco and electronic cigarette products, as well as government agencies responsible for the supervision and enforcement of compliance.

41. Regulation of the National Agency of Drug and Food Control No. 22 of 2025 on the Recall and Destruction of Processed Food Products

Enforcement Date: 28 July 2025

Summary:

- The enforcement of this Regulation has resulted in the simultaneous repeal and replacement of Regulation of the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan /BPOM*) No. 22 of 2017 on the Recall and Destruction of Processed Food Products (“**Regulation 22/2017**”). However, it should be noted that any recalls and destruction of food products that do not meet the applicable safety, quality and/or applicable legal requirements that were already in process prior to the introduction of this Regulation will continue to be carried out in line with Regulation 22/2017.
- In comparison with Regulation 22/2017, this new Regulation clarifies that all parties that produce, import and/or distribute food products must fulfill the following requirements, otherwise said products will have to be recalled by the relevant producers, importers and/or distributors: 1) Must meet applicable food safety and quality standards; 2) Must have secured of a Business License for Supporting Business Activities (*Perizinan Berusaha Untuk Menunjang Kegiatan Usaha – “PB-UMKU”*); 3) Must ensure that all products are adequately labeled; and 4) Must comply with food advertising requirements. Moreover, the Regulation has also now clarified that recalls may be either mandatory or voluntary based on specific reasoning and recall classifications, as outlined under the Regulation.
- However, the Regulation maintains core provisions on the destruction of products, as originally outlined under Regulation 22/2017. In addition, the Regulation has now expanded the types of administrative sanctions that may be imposed upon violators, as originally set out under Regulation 22/2017. The expanded sanctions now encompass fines and revocations of PB-UMKU.

42. Regulation of the National Agency of Drug and Food Control No. 23 of 2025 on the Fifth Amendment to Regulation of the Head of the National Agency of Drug and Food Control No. 24 of 2017 on Drug Registration Criteria and Procedures

Enforcement Date: 12 August 2025

Summary:

- Although the procedures for the mandatory registration of drugs (“**Registrations**”) for medicinal products that contain biological substances (“**Biological Products**”) are already outlined under Regulation of the Head of the National Agency of Drug and Food Control No. 24 of 2017 on Drug Registration Criteria and Procedures (“**Regulation 24/2017**”), the Fifth Amendment has now clarified that there are 11 officially designated types of Biological Products and that these products may be produced conventionally (e.g. through extraction, fractionation, reproduction and cultivation) or via methods that involve biotechnology (e.g. fermentation, genetic engineering and cloning). The aforementioned Biological Products include: 1) Enzymes; 2) Monoclonal antibodies; 3) Hormones; 4) Advanced therapy products (e.g. somatic cell therapy products, tissue-engineered products and gene therapy medicinal products); and 5) Vaccines.
- While retaining the core classifications of periods required for the evaluation of Registration processes (“**Evaluation Pathways**”) that originally featured under Regulation 24/2017, the Fifth Amendment has now revised and redefined the original list of Evaluation Pathways through the incorporation of several additional types of pathways. These newly included Evaluation Pathways break down as follows: 1) The five-business-day Evaluation Pathway: for Registrations of generic drugs that have been designated with Emergency Use Authorization (“**EUA**”) status; 2) The 20-day Evaluation Pathway: for Registrations of new drugs and Biological Products that have been designated with EUA status, as well as Registrations of variation notifications and also Registrations of major variations of new indications/dosages for new drugs and Biological Products that have been designated with EUA status; and 3) The 100-day Evaluation Pathway: new Registrations for transitions from EUA to distribution permits.
- Additionally, the Fifth Amendment also requires the relevant narcotics categories and the radioactivity logo to be incorporated onto special labels that are required to be affixed to several areas of all drug products (i.e. outer packaging, labels and ampoule/vial labels).

43. Regulation of the National Agency of Drug and Food Control No. 24 of 2025 on Approval Procedures for the Development of New Drugs

Enforcement Date: 20 August 2025

Summary:

- While retaining a majority of provisions that address assessments of New Drug Development (*Obat Pengembangan Baru* – “**OPB**”) that were originally set out under the previous framework, the new framework of Regulation 24/2025 has now clarified the scope of products that are defined as OPB, as well as the various types of business actors that are eligible to submit applications to secure OPB approvals (“**Approvals**”). Said business actors now include hospitals and cell and/or stem-cell processing

facilities/laboratories. In terms of the scope of OPB, the following products are now defined as OPB: 1) New drugs and pharmaceutical products that contain biological substances (“**Biological Products**”), including new dosage forms, new strengths, new combinations and/or new indications; 2) Advanced therapy products; 3) Biosimilar products; and 4) Other products consistent with innovation and development.

- The framework of Regulation 24/2025 has also revised the applicable phases that relate to the development of new drugs and that ultimately lead to Assessments. These updated OPB phases broadly break down as follows: 1) Drug discovery and development; 2) Non-clinical studies; 3) Clinical trials (Phase 1 – Phase 4); 4) Registration of drugs; and 5) Post-market monitoring.
- Regulation 24/2025 also clarifies that Approvals have a five-year validity period from their dates of issuance. Moreover, applications for the extension of Approvals should be submitted at least 30 days prior to their expiration dates. Finally, business actors may submit applications to amend their issued Approvals whenever necessary if their businesses are subject to any changes, while said applications will be processed free of charge.

44. Decree of the Head of the Halal Product Assurance Organizing Agency No. 146 of 2025 on Technical Instructions for Halal Certification Services for Micro- and Small-Scale Business Actors Based on Halal Statements of Micro- and Small-Scale Business Actors

Enforcement Date: 8 July 2025

Summary:

- The eligibility criteria for Micro- and Small-Scale Business Actors (*Usaha Mikro dan Kecil* – “**UMK**”) that are applying for halal certification through the self-declaration mechanism have now been revised. Under a new set of provisions, UMK must have annual sales that do not exceed a maximum total of Rp. 15 billion. In addition, UMK must ensure that any products that contain ground meat are processed by halal-certified meat-grinding services or processed in-house in line with halal-compliant standards.
- Furthermore, UMK are now required to meet a broader set of requirements when submitting their halal certification applications. These requirements include ensuring the completeness of required documentation, the use of halal ingredients and the appropriateness of all product names and labeling. UMK are also required to adhere to halal production processes that are capable of guaranteeing hygiene, strict separation from haram materials and ongoing compliance with halal assurance standards.
- The scope of the Standard Classification of Indonesian Business Fields (*Klasifikasi Baku Lapangan Usaha Indonesia* – “**KBLI**”) that are eligible to enjoy the self-declaration certification regime has also been expanded to cover a number of additional product categories. These include: 1) Fats, oils and oil emulsions, through the addition of one new KBLI; 2) Bakery

products, through the addition of one new KBLI; and 3) Provision of processed food and beverages, through the addition of three new KBLI.

Profession

45. Regulation of the Minister of Trade No. 27 of 2025 on the Enforcement of Indonesian National Work Competency Standards and the Application of the Indonesian National Qualification Framework for the Real Estate Category in the Main Group of Real Estate Within the Property Trade Brokerage Sector

Enforcement Date: 13 August 2025

Summary:

- Stipulates Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* - “**SKKNI**”) for the real estate category in the main group of real estate within the field of property trade brokerage for business actors that offer property trade brokerage services. These SKKNI should be used as a reference during the preparation of Indonesian National Qualification Levels under the Indonesian National Qualifications Framework (*Kerangka Kualifikasi Nasional Indonesia* – “**KKNI**”), specifically Qualification Levels 6 and 7.
- A total of 20 relevant competence units for Qualification Level 6 are further outlined under the Appendix to this Regulation, including: 1) Conducting of prospective activities; 2) Provision of legal aspect advice for property transfers; 3) Provision of non-legal aspect advice for property transfers; and so on. Meanwhile, a total of 11 relevant competence units for Qualification Level 7 include: 1) Recruiting of prospective property brokers; 2) Conducting of the selection process; 3) Management of correspondence, archiving and office administration; and so forth.
- This Regulation has simultaneously repealed and replaced the following frameworks: 1) Regulation of the Minister of Trade No. 105/M-DAG/PER/12/2015 on the Enforcement of Indonesian National Work Competency Standards for the Real Estate Category in the Main Group of Real Estate Within the Property Trade Brokerage Sector; and 2) Regulation of the Minister of Trade No. 106/M-DAG/PER/12/2015 on the Application of the Indonesian National Qualification Framework Within the Property Trade Brokerage Sector.

Tax & Non-Tax Charges

46. Regulation of the Minister of Finance No. 44 of 2025 on Government-Borne Value-Added Tax on Deliveries of Special Supplies for Certain Operations During the 2025 Fiscal Year

Enforcement Date: 24 July 2025

Summary:

- Broadly speaking, payable value-added tax (*Pajak Pertambahan Nilai* – “PPN”) on deliveries of special supplies for certain operations (e.g. medical supplies, field hospitals and special operational rations for the military) that are made to the Ministry of Defense and/or the Indonesian National Armed Forces will be fully borne by the government during the 2025 fiscal year. In this regard, the government-borne PPN comprises tax that is payable during the 24 July 2025 - 31 December 2025 period.
- Taxable entrepreneurs that deliver the above-described special supplies for certain operations are required to draft the following documents: 1) Tax invoices; and 2) Reports on the realization of government-borne PPN. The aforementioned tax invoices are required to be reported as a part of relevant taxable entrepreneurs’ periodic tax returns and may constitute the aforesaid mandatory government-borne PPN reports. In this regard, this new Regulation affirms that any reporting of and corrections that are made to periodic tax returns that address deliveries of special supplies may be treated as said realization reports, provided that they are submitted by no later than 28 February 2026.

47. Regulation of the Minister of Finance No. 45 of 2025 on the Amendment to Regulation of the Minister of Finance No. 157 of 2023 on the Procedure for Securing Value-Added Tax Exemptions for Imports and/or Deliveries of Certain Strategic Taxable Goods and for Domestic Deliveries and/or Utilization Within Customs Areas of Certain Strategic Taxable Services Used for National Defense and/or Security Purposes

Enforcement Date: 24 July 2025

Summary:

- In essence, this Amendment has now incorporated weapons security systems equipment onto the list of strategic taxable goods that are used for national defense and/or security purposes and that are eligible to enjoy value-added tax (*Pajak Pertambahan Nilai*/PPN) exemptions upon their importation into Indonesia.

48. Regulation of the Minister of Finance No. 46 of 2025 on the Amendment to Regulation of the Minister of Finance No. 186/PMK.02/2020 on Procedures for the Ratification of Program Management Reports and Annual Financial Statements Drawn up by the Social Security Agency

Enforcement Date: 24 July 2025

Summary:

- The Amendment now stipulates that recommendations that address the number of incentives (“**Incentive Recommendations**”) that are available to members of the Board of Directors and Supervisory Board of the Social Security Agency (*Badan Penyelenggara Jaminan Sosial*– “**BPJS**”) will only be issued if the BPJS has achieved a performance level in the “good” category at least. Moreover, this “good” rating should be officially stipulated in accordance with relevant Laws and Regulations. Previously, Regulation of the Minister of Finance No. 186/PMK.02/2020 set an Incentive Recommendation fulfillment threshold of 80% of the relevant BPJS performance target at a minimum.

49. Regulation of the Minister of Finance No. 50 of 2025 on Value-Added Tax and Income Tax on Crypto-Asset Trading Transactions

Enforcement Date: 1 August 2025

Summary:

- The new framework establishes various Value-Added Tax (*Pajak Pertambahan Nilai* – “**PPN**”) obligations that will apply to Organizers of Trading Through Electronic Systems (*Penyelenggara Perdagangan Melalui Sistem Elektronik* – “**PPMSE**”), as well as to miners of crypto-assets (“**Miners**”) who are involved in crypto-asset transactions. In this regard, relevant parties must first be designated as taxable entrepreneurs (*Pengusaha Kena Pajak*/PKP) and must fulfill their tax obligations. Furthermore, while crypto-assets themselves will not be subject to PPN, the various services that are provided by PPMSE and Miners will remain taxable.
- PPMSE are categorized as providing taxable services and will be subject to PPN whenever facilitating any crypto-asset trading activities, including fiat-to-crypto transactions, exchanges and e-wallet services. In this regard, PPMSE are required to collect, deposit and report PPN based on 12% of 11/12 of the relevant commission or remuneration that is received. Meanwhile, Miners must self-assess their PPN obligations, with payable VAT being calculated through the application of a specific formula.
- In addition, this new Regulation also sets out various Income Tax (*Pajak Penghasilan*/PPh) treatments that are dependent on the types of taxpayers involved in crypto-asset transactions (i.e. crypto-asset sellers [“**Sellers**”],

PPMSE and Miners). In this regard, domestic sellers will be subject to a final withholding tax rate of 0.21% tax by the relevant PPMSE. Meanwhile, other parties, including Sellers, will be taxed based on their specific roles at rates that will range from standard corporate PPh to a final rate of 1% for certain transactions that are undertaken through designated foreign PPMSE.

50. Regulation of the Minister of Finance No. 51 of 2025 on the Collection of Article-22 Income Tax Payments for Deliveries of Goods and for Activities Within the Import Sector or Designated Business Activities Within Other Sectors

Enforcement Date: 1 August 2025

Summary:

- This Regulation lists nine parties responsible for the collection of Article-22 Income Tax (*Pajak Penghasilan* – “**PPh**”). Said parties include: 1) Foreign exchange banks and the Directorate-General of Customs and Excise (for imports of goods and exports of coal, metallic minerals, and non-metallic mineral commodities that are carried out by exporters); 2) Governmental agencies for payments of goods that are purchased through the imprest fund mechanism or direct payment mechanism); 3) Certain business entities (e.g. state-owned enterprises); 4) Sole agents who are holders of brand rights, brand-holding agents and general importers of motor vehicles, in relation to domestic sales of motor vehicles; and 5) Financial services institutions that engage in bullion-related business activities for which they have secured a permit from the Financial Services Authority (*Otoritas Jasa Keuangan/OJK*), specifically in relation to payments for purchases of gold bars.
- In addition to outlining the applicable Article-22 PPh rates for the above-mentioned goods, this Regulation also affirms that eight specific types of imports and payments have been exempted from the collection of Article-22 PPh. These PPh-exemptions include: 1) Imports of goods and/or deliveries of goods that, based on the statutory Regulations, are not subject to the imposition of PPh; 2) Imports of goods that are exempt from import duty and/or value-added tax (*Pajak Pertambahan Nilai* – “**PPN**”); 3) Temporary imports (if the goods in question are clearly designated for re-export at the time of import); 4) Re-imports (e.g. goods that have been exported and then re-imported in the same condition or goods that have been exported for the purpose of repair, processing and/or testing, and which also meet the applicable requirements); and 5) Domestic sales of motor vehicles that have already been subject to the collection of Article-22 PPh, as undertaken by automotive industry players, sole agents who are holders of relevant trademarks, brand-holding agents and general importers of motor vehicles.
- In terms of imports of goods specifically, this Regulation states that the applicable Article-22 PPh becomes payable and should be settled at the same time as the payment of relevant import duties. In this regard, any

postponed or exempted import-duty payments that do not fall under the Article-22 PPh collection exemption will become payable and should be settled at the time of the completion of customs declaration documents for relevant imports. It should also be noted that Article-22 PPh on imports of goods should be processed through the state treasury through a collecting agent (e.g. perception banks, perception post offices or other designated perception institutions) by the following parties: 1) Relevant importers; or 2) The Directorate-General of Customs and Excise.

- Meanwhile, in terms of exports of coal mining commodities, metallic minerals and non-metallic minerals, the applicable Article-22 PPh becomes payable and should be deposited upon the completion of customs declaration documents for relevant exports. In this regard, the collection of any such Article-22 PPh should be completed through payments that are made by relevant exporters via a collecting agent.

51. Regulation of the Minister of Finance No. 52 of 2025 on the Second Amendment to Regulation of the Minister of Finance No. 48 of 2023 on Income Tax and/or Value-Added Tax on Sales/Deliveries of Gold Jewelry, Gold Bars, Jewelry Made from Materials Other than Gold, Gemstones and/or Other Similar Stones, as Well as Services Related to Gold Jewelry, Gold Bars, Jewelry Made from Non-Gold Materials and/or Gemstones and/or Other Similar Stones, as Conducted by Gold Jewelry Manufacturers, Gold Jewelry Traders and/or Gold Bar Entrepreneurs

Enforcement Date: 1 August 2025

Summary:

- This Second Amendment has now expanded the official list of buyers of gold bullion that are exempted from the collection of Article-22 Income Tax (*Pajak Penghasilan* – “PPh”) by entrepreneurs who deal in gold jewelry and/or gold bars. The new list of PPh-exempted buyers now breaks down as follows: 1) Bank Indonesia; 2) Sales that are completed through the digital gold physical market, as stipulated under relevant Laws and Regulations on commodity futures trading; and 3) Financial service institutions that engage in bullion-related business activities and that have secured permits from the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK). The parties outlined in point (3) above did not feature under the original framework.

52. Regulation of the Minister of Finance No. 53 of 2025 on the Amendment to Regulation of the Minister of Finance No. 11 of 2025 on the Provisions on Other Values as the Basis for Tax Imposition and Certain Amount of Value-Added Tax

Enforcement Date: 1 August 2025

Summary:

- Previously, Regulation of the Minister of Finance (“**Minister**”) No. 11 of 2025 (“**Regulation 11/2025**”), which amended Regulation of the Minister No. 81 of 2024 (“**Regulation 81/2024**”), outlined the applicable specific value to be used as the basis for the imposition of value-added tax (*Pajak Pertambahan Nilai* – “**PPN**”) on crypto asset transactions. However, as the applicable provisions and mechanism for the imposition of PPN on such transactions, including the specific value to be used as the basis for PPN, are now officially featured under Regulation of the Minister No. 50 of 2025 on the Value-Added Tax on Crypto-Asset Trading Transactions, this Amendment now removes the specific provision on that value originally set out in Regulation 11/2025.

53. Regulation of the Minister of Finance No. 54 of 2025 on the Third Amendment to Regulation of the Minister of Finance No. 81 of 2024 on Taxation Provisions for the Implementation of the Core Tax Administration System

Enforcement Date: 1 August 2025

Summary:

- Previously, Regulation of the Minister of Finance (“**Minister**”) No. 81 of 2024 (“**Regulation 81/2024**”) outlined a wide range of provisions related to the implementation of the Core Tax Administration System. These provisions include the following taxation mechanisms and procedures: 1) Article-22 income tax (*Pajak Penghasilan* – “**PPh**”) on the delivery of goods and on activities in the import sector or certain designated business sectors; and 2) PPh and value-added tax (*Pajak Pertambahan Nilai* – “**PPN**”) on crypto asset transactions.
- However, as both of these taxation procedures and mechanisms are now governed under their respective regulatory frameworks, namely Regulation of the Minister of Finance No. 51 of 2025 for Article-22 PPh in the import sector or certain designated business sectors, and Regulation of the Minister No. 50 of 2025 for PPN and PPh on crypto asset transactions, this Third Amendment now removes the related provisions of these matters that were originally set out in Regulation 81/2024.

54. Regulation of the Minister of Forestry No. 14 of 2025 on Procedures for the Imposition, Stipulation and Payment of Types of Non-Tax State Revenue Applicable Within the Forest Area Utilization Sector

Enforcement Date: 29 July 2025

Summary:

- In essence, this new Regulation has retained the original classification of Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – “**PNBP**”) for the Utilization of Forest Areas (*Penggunaan Kawasan Hutan* – “**PKH**”) into three area categories (L1 - L3), as originally outlined under the now-revoked framework of Regulation of the Minister of Forestry (“**Minister**”) No. P.56/MENHUT-II/2008, as amended several times, most recently through Regulation of the Minister No. P.51/MENLHK/SETJEN/KUM.1/9/2019 (collectively referred to as “**Regulation 51/2019**”).
- However, this new Regulation has now redefined and revised the scope of areas that are classified as PNBP PKH objects. Said areas now break down as follows: 1) L1 Areas (areas that are used for permanent supporting infrastructure): coal-and-mineral mining areas now include crushing plants and quarry areas, whereas non-mining areas now include parking lots, watchtowers and observation facilities; 2) L2 Areas (areas that are associated with temporary and/or significant environmental impacts, which include certain types of L1 Areas): these areas now include impact ponds and areas affected by PKH activities, as well as areas that are affected by subsidence or surface lowering that result from PKH activities, and also any area utilization that is inconsistent with the relevant types/designations of PKH Approvals (*Persetujuan PKH* – “**PPKH**”) and/or environmental documents and that is committed by the respective PPKH holder; and 3) L3 Areas (areas that are experiencing permanent damage and that must be reclaimed to the maximum extent possible): these areas now include other types of PKH objects that technically cannot be backfilled or covered and/or that cannot be optimally reclaimed.
- The above-mentioned PKH baselines should be drafted by relevant PPKH holders as entities that are required to complete mandatory PNBP payments. In this regard, this Regulation now affirms that said baselines should be drafted in line with the following documents (as outlined comprehensively under Appendices I - III to this Regulation): 1) PKH Baseline Matrix; 2) Updated PKH Baseline Matrix; and 3) PKH Baseline Maps.

55. Regulation of the Minister of Forestry No. 15 of 2025 on Procedures for the Imposition of Tariffs for Types of Non-Tax State Revenue Within the Forest Area Release Sector

Enforcement Date: 29 July 2025

Summary:

- In essence, the types of Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – “**PNBP**”) tariffs that are applicable in relation to releases of forest areas should be imposed once only upon holders of Permanent Production Forest Area Release Approvals (“**Forest Release Approvals**”)

as the entities that are required to complete mandatory PNBP payments (“**Payers**”). In this regard, the aforementioned types of PNBP for forest area releases are applicable across the entirety of any areas/activities that are outlined in Forest Release Approvals and that are commercial in nature, including: 1) Activities (yet undeveloped) that specifically relate to Nationally Strategic Projects (*Proyek Strategis Nasional* – “**PSN**”), national economic recovery and land procurements for the purpose of food and energy security; and 2) Oil palm plantation businesses and/or activities that were already developed prior to the enforcement of Law No. 11 of 2020 on Job Creation.

- In terms of the above-described PNBP for activities that specifically relate to PSN, national economic recovery and land procurements for the purpose of food and energy security, this Regulation affirms that the applicable PNBP tariffs should be stipulated based on relevant areas of released permanent production forest and classified into the following land cover categories: 1) Natural forest; 2) Plantation forest; and 3) Non-forest cover.
- The above-described PNBP for releases of forest areas should be calculated by the Director-General of Forestry Planning and Environmental Management within 30 business days of the official issuance of a given Forest Release Approval. As such, the following formulas should be used in order to calculate the above-outlined PNBP tariff types: 1) For activities related to PSN, national economic recovery and land procurements for the purpose of food and energy security: (area of natural forest group x natural forest rate) + (area of plantation forest x plantation forest rate) + (area of non-forest cover x non-forest cover rate); and 2) For oil palm plantation businesses and/or activities: (land area x applicable tariffs).

56. Regulation of the Minister of Forestry No. 16 of 2025 on Procedures for the Imposition of Tariffs as Types of Non-Tax State Revenue Applicable Within the Forest Plant Seeding Sector

Enforcement Date: 19 August 2025

Summary:

- The introduction of Regulation 16/2025 has resulted in the revision and expansion of Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – “**PNBP**”) that applies within the forest plant seeding activities (*perbenihan*) sector to activities that are associated with forest plant seeds (“**Seeds**”) (*benih*) and forest plant seedlings (“**Seedlings**”) (*bibit*). One of the newly introduced categories includes the byproducts of research into superior forest Seeds and other services (e.g. pest and disease identification for Seeds and Seedlings, drone photography and entrance tickets for domestic and international tourists).
- Generally speaking, payments of most of the various PNBP tariffs that are applicable within the forest plant seeding activities sector should be completed through the Online PNBP Information System (*Sistem Informasi PNBP Online* – “**SIMPONI**”), which is organized by the Ministry of Finance.

However, tariffs for other services that are subject to the imposition of PNBP (e.g. pest and disease identification for Seeds and Seedlings, drone photography and entrance fees for tourists) should be settled through the officials responsible for the receipt, storage and deposit of PNBP funds at offices/work units at the Ministry of Forestry.

- The previous framework stated that any failure to settle relevant PNBP tariffs would only result in any permit or certificate applications not being processed any further. However, the new framework of Regulation 16/2025 has now introduced an additional sanction, i.e. an administrative fine of 2% per month of outstanding PNBP. This monthly administrative fine defines any part of a given month as a full month, while this sanction will not be imposed beyond a period of 24 months.

57. Circular of the Minister of Forestry No. SE.6/MENHUT/SETJEN/KUM.02/7/2025 on Forestry Sector Activities Within Forested Areas That Are Exempt from Tax/Levies

Enforcement Date: 30 July 2025

Summary:

- In essence, this Circular affirms existing government directives, which include: 1) The utilization of natural resources is subject to Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – “**PNBP**”); 2) Forest areas constitute said resource utilization and are thus subject to PNBP; 3) PNBP applies to holders of Forest Management Rights (*Hak Pengelolaan Hutan/HPH*), Forest Utilization Business Permits (*Perizinan Berusaha Pemanfaatan Hutan/PBPH*), Forest Area Utilization Permits (*Persetujuan Penggunaan Kawasan Hutan/PPKH*) and Social Forestry Approvals (*Persetujuan Perhutanan Sosial/PS*), as well as to holders of nature tourism concessions that are located in areas of conservation forest.
- In addition to the aforementioned provisions, local governments are also prohibited from imposing any additional regional taxes or levies on forest area activities in order to avoid the imposition of any double charges. Furthermore, local governments must also ensure that their policies are fully in line with this new framework and should refrain from imposing any new conditions or levies on holders of permits or approvals for forested areas.

58. Decree of the Minister of Finance No. 26/KM.4/2025 on Determinations of Export Prices for Export-Duty Calculations

Enforcement Date: 15 July 2025

Summary:

- This Decree stipulates various export prices for export-duty calculations for 209 types of processed mineral products. These export prices range from US\$ 1,548.49 up to US\$ 7,644.03 and include the following product descriptions and tariff posts: 1) Copper concentrate with grade $15\% \leq \text{Cu} < 16\%$ and gold content of $0 \text{ ppm} < \text{Au} \leq 5 \text{ ppm}$, tariff post ex. 2603.00.00; 2) Copper concentrate with grade $15\% \leq \text{Cu} < 16\%$ and gold content of $5 \text{ ppm} < \text{Au} \leq 10 \text{ ppm}$, tariff post ex. 2603.00.00; 3) Copper concentrate with grade $15\% \leq \text{Cu} < 16\%$ and gold content of $10 \text{ ppm} < \text{Au} \leq 15 \text{ ppm}$; and so on.

59. Regulation of the Director-General of Taxes No. PER-15/PJ/2025 on Limits on Certain Criteria for Other Parties and the Appointment of Other Parties to Collect, Deposit and Report Income Tax on Income Received or Earned by Domestic Merchants Through Electronic System-Based Trading Activities

Enforcement Date: 5 August 2025

Summary:

- In line with Regulation of the Minister of Finance (“**Minister**”) No. 37 of 2025 (“**Regulation 37/2025**”), this new Regulation affirms that Organizers of Electronic System-Based Trading Activities (*Perdagangan Melalui Sistem Elektronik* – “**PMSE**”) have now been designated as third parties responsible for the collection, deposit and reporting of Article-22 Income Tax (*Pajak Penghasilan* – “**PPh**”) on the earnings of domestic merchants. In this regard, PMSE Organizers (*Penyelenggara PMSE* - “**PPMSE**”) will be subject to the new Article-22 PPh collection mandate if they utilize escrow accounts in order to deposit incomes and if they also meet the following criteria: 1) Generate transaction values within Indonesia through the use of electronic facilities that exceed a specific threshold within a given 12-month period; and/or 2) Have a total number of users or volume of traffic that exceeds a specific threshold within a given 12-month period.
- This new framework officially sets the following thresholds for the above-mentioned transaction values and/or traffic volumes: 1) Transaction value: must exceed Rp. 600 million within a given 12-month period or Rp. 50 million within a given one-month period; and/or 2) Traffic volume: must exceed 12,000 accesses within a given 12-month period or 1,000 accesses within a given one-month period.
- While the above-described collection, deposit and reporting of Article-22 PPh by PPMSE as appointed third-party PPh collectors must be implemented in line with relevant Laws and Regulations that apply within the taxation sector, this new Regulation also affirms that collected Article-22 PPh may fall into one of the following two categories: 1) Credited as PPh payments for the current year; or 2) Included as part of a final PPh settlement.

60. Regulation of the Director-General of Taxes No. PER-16/PJ/2025 on Amendments to Regulation of the Director-General of Taxes No. PER-6/PJ/2025 on the Implementation of Preliminary Refunds of Tax Overpayments for Taxpayers That Meet Certain Criteria, Taxpayers with Specific Requirements and Low-Risk Taxable Entrepreneurs, as Well as Special Purpose Companies and Collective Investment Contracts as Low-Risk Taxable Entrepreneurs

Enforcement Date: 13 August 2025

Summary:

- This Regulation clarifies the various types of Input Tax (*Pajak Masukan*) that may be credited as overpayments. These include Input Tax as listed in tax invoices, documents that are treated as equivalent to tax invoices, import customs documents and payment documents (e.g. import duty and taxes on delivered goods). However, said credits will only be considered valid if they meet specific requirements, such as having a designated State Revenue Transaction Number.
- A new provision on preliminary tax refunds has also been introduced. In this regard, in terms of any 2024 Annual Individual Income Tax Return (*Surat Pemberitahuan Tahunan*) reports that show overpayments resulting from reporting errors relating to payable Article-21 Income Tax, said overpayments will not be recognized as tax refunds. As a consequence, relevant refund applications will not be processed, while no Preliminary Refund Decisions will be issued.

Technology, Media, and Telecommunication

61. Draft Decree of the Minister of Communication and Digital Affairs on Technical Standards for Land Mobile Radio Telecommunications Devices

Enforcement Date: -

Summary:

- When it is ultimately introduced, this new Draft Decree will govern Technical Standards for Land Mobile Radio Telecommunications Devices (“**Technical Standards**”) for conventional radio, trunking radio and private mobile radio devices. Compliance with the new framework should be proven through possession of telecommunications equipment certification and/or telecommunications device certification in accordance with applicable law.

- The Technical Standards that are regulated under the Draft Decree include: 1) Power supply requirements; 2) Electrical safety requirements; 3) Electromagnetic compatibility requirements; 4) Device topology examples; 5) Radiofrequency requirements; and so on. Moreover, the Decree also clarifies various operational provisions that apply to different types of radio devices, along with corresponding testing methods, as outlined under the Appendix to the Decree.
- However, it should be noted that all test reports that were issued for land mobile radio telecommunications devices prior to the issuance of the Draft Decree may still be submitted as certification application requirements, provided that they do not conflict with the Draft Decree.

Transportation and Logistic Services

62.Regulation of the Minister of Transportation No. 8 of 2025 on the Operation of Water Aerodromes

Enforcement Date: 22 August 2025

Summary:

- This Regulation stipulates that the operation of water aerodromes (“**Aerodromes**”) can only be carried out by organizers after they have first secured certification or registered with the Aerodrome registry issued by the Minister. Said certification or registration will be granted once organizers meet the following requirements: 1) Aviation safety and security standards; and 2) Airport service standards, if an Aerodrome is to be used for public purposes.
- Any Indonesian legal entity that wishes to operate an Aerodrome on an independent basis must submit an application to the Director-General accompanied by the following documents: 1) Proof of financial ability to construct, develop and operate an Aerodrome; 2) Evidence of organizational capacity and operational staff who meet aviation safety and security standards; and 3) Business plan that is in line with the Aerodrome master plan timeframe. A privately operated Aerodrome cannot be used for public purposes, except under certain circumstances (e.g. natural disasters) and only then with written approval from the Minister.

63.Circular of the Minister of State-Owned Enterprises No. SE-1/MBU/08/2025 on the Implementation of Zero Over Dimension Over Loading (ODOL) Within the State-Owned Enterprises Environment

Enforcement Date: 8 August 2025

Summary:

- Stipulates that the Board of Directors of the Ministry of State-Owned Enterprises (*Badan Usaha Milik Negara*/BUMN) must ensure the implementation of the Zero Over Dimension Over Loading (“**ODOL**”) policy in relation to road freight transportation. This policy encompasses the following areas: 1) Vehicles that are used in accordance with provisions on safe freight vehicles; 2) Vehicles that are used in accordance with provisions on loading procedures, carrying capacities, vehicle dimensions and road classes passed; and 3) Operations of freight vehicles that prioritize the safety of fellow road users. In this regard, Board of Directors members are also responsible for the implementation of the Zero ODOL policy in relation to any logistics partners that are utilized in conjunction with company operations and business.

64. Decree of the Minister of Marine Affairs and Fisheries No. 47 of 2025 on the Designation of Fishing Ports as Vital National Objects

Enforcement Date: 15 August 2025

Summary:

- This Decree designates seven specific fishing ports (“**Ports**”) as Vital National Objects, including: 1) Nizam Zachman Ocean Port in North Jakarta; 2) Cilacap Ocean Port in Central Java; 3) Bitung Ocean Port in North Sulawesi; 4) Kejawanen Nusantara Port in Cirebon, West Java; 5) Pengambangan Nusantara Port in Jembrana, Bali; 6) Ambon Nusantara Port in Ambon, Maluku; and 7) Tual Nusantara Port in Tual, Maluku.
- The managements of all Ports that are designated as Vital National Objects have been appointed as Technical Implementation Units within the Ministry of Marine Affairs and Fisheries. These Technical Implementation Units will be responsible for the maintenance of Port security through the application of principles of internal security and integrated protection. The Technical Implementation Units are also required to report on the implementation of these security measures to the Director-General of Capture Fisheries.

65. Circular of the Director-General of Sea Transportation No. SE-DJPL 23 of 2025 on Procedures for the Measurement of Fishing Vessels and Issuance of Domestic Measurement Certification for Fishing Vessels During the Transition Period

Enforcement Date: 1 August 2025

Summary:

- Applications for the measurement of fishing vessels (“**Measurements**”) should be submitted to the Ministry of Transportation via the Directorate of Shipping and Seafaring, the Main Harbormaster and Port Authority Offices, the Special Batam Port Authority Office, other Harbormaster and Port Authority Offices, or Port Management Unit Offices that have secured official vessel measurement codes, through the Marine and Shipping Information Management System (*Sistem Informasi Manajemen Perkapalan dan Kepelautan/SIMKAPEL*). Relevant agencies are required to coordinate with the Head of the Fisheries Port in order to undertake said Measurements.
- Furthermore, Measurement lists must be drawn up and signed by certified ship measurers in accordance with the official Guidelines for the Measurement of Fishing Vessels (*Pedoman Pengukuran Kapal Penangkap Ikan/P2KPI*) before they are subsequently validated by the Director-General of Sea Transportation, who will then issue the requested Domestic Measurement Certification. All Measurements are subject to Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak/PNBP*) charges in accordance with applicable Laws and Regulations.

66. Circular of the Director-General of Sea Transportation No. SE-DJPL 25 of 2025 on the Supervision of Maritime Safety and Security, and the Prevention of Vessel Accidents During Sea and Ferry Transportation

Enforcement Date: 8 August 2025

Summary:

- In an effort to mitigate vessel accidents, as well as to ensure that maritime safety and security procedures are properly and fully implemented, this Circular mandates that owners or operators should implement the following shipping-related safety and security procedures: 1) Must organize regular disaster mitigation training for captains and crew; 2) Must ensure that passenger service standards on board vessels and at terminals are met in accordance with relevant Laws and Regulations; 3) Must ensure that all on board lashing equipment for use with vehicles meets the relevant standards and that all lashing is carried out properly; and 4) Must ensure that no vessels exceed their applicable passenger capacities, as stated in their manifests.
- Additionally, this Circular also mandates that captains of vessels should implement a wide array of measures and procedures, including: 1) Must fill out and sign master sailing declarations before sailing and subsequently submit these declarations to the relevant harbormasters; 2) Must implement regular patrols and CCTV monitoring in order to ensure the overall safety and security of passengers; 3) Must ensure that passenger numbers comply with the relevant capacities and manifests; 4) Must communicate weather warnings and changes to all crew members and passengers; and 5) Must

inform passengers on Ro-Ro (roll on - roll off) vessels that they should not to remain inside their vehicles during transit.

67. Decree of the Director-General of Sea Transportation No. KP-DJPL 408 of 2025 on Guidelines for the Imposition of Non-Tax State Revenue Tariffs on the Supervision of Cargo Loading and Unloading Activities at Ports

Enforcement Date: 22 July 2025

Summary:

- Under this Decree, Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – “**PNBP**”) that relates to the supervision of cargo loading and unloading activities carried out at seaports should be imposed in accordance with the following five core criteria: 1) Types of goods (i.e. general goods, special goods requiring special handling due to their sizes or natures and vehicles and their cargos, as transported by Ro-Ro [roll on - roll off] vessels); 2) Locations (e.g. multipurpose and/or conventional terminals, private terminals, special terminals and so forth); 3) Service providers (e.g. stevedoring companies, national sea transportation companies, port business entities holding concessions and so forth); 4) Types of services (i.e. Stevedoring, cargodoring and/or receiving/delivery services); 5) Tariff calculations.
- In terms of tariff calculations, as outlined in point (5) above, this Decree affirms that the applicable PNBP tariffs should be calculated through the application of the following equation: Volume of cargo activity (in tons) × cargo handling tariff × 1%. While cargo handling tariffs should be determined based on certain aspects (e.g. agreements between service providers and users), this Decree also affirms that PNBP tariffs for private terminals, special terminals and ship-to-ship transfer areas that are temporarily serving the general public should be set by port business entities or agreed between the relevant service providers and users, as applicable at local ports.

68. Decree of the Director-General of Sea Transportation No. KP-DJPL 430 of 2025 on Standard Crew Guidelines on Supernumerary Crew Members Aboard Indonesian-Flagged Commercial Vessels

Enforcement Date: 6 August 2025

Summary:

- This Decree stipulates supernumerary crew members (e.g. non-crew personnel) across several categories. Said categories include the following: 1) Individuals who are not crew members but who are permitted by the

relevant Master to be on board but without any authority to operate the ship;
2) Individuals who are present on board under similar temporary circumstances, also without any role in navigation, operation or ship management.

- Supernumerary applications must include the following specific accompanying documents: 1) For foreign nationals: travel documents, such as a Seafarer Identity Document or a passport with at least six months of remaining validity before its expiration; and 2) For Indonesian nationals: an employment contract that specifies the duration of the on-board work or an assignment letter from a government agency in support of public service duties.

Miscellaneous

69. Regulation of the Constitutional Court No. 7 of 2025 on Procedural Rules for Judicial Review Cases

Enforcement Date: 20 August 2025

Summary:

- Although the core procedures that address the handling of judicial review petition cases through the Constitutional Court (*Mahkamah Konstitusi* – “**MK**”) have been retained, the new framework of Regulation 7/2025 now clarifies that the MK will officially render verdicts on formal judicial review cases within 60 business days of receiving relevant statements from the Indonesian President and/or Indonesia’s House of Representatives (*Dewan Perwakilan Rakyat/DPR*) during legal proceedings. Moreover, in terms of Service Level Agreements (SLA), Regulation 7/2025 also clarifies that the official office hours during which offline case administration services will be available to relevant parties (e.g. consultations and the submission of case files) are between 08.00 WIB and 16.00 WIB on business days.
- Petitioners in judicial review petition cases (“**Petitioners**”) who would have previously submitted both formal and material judicial review petitions as single petitions must now separate the two, with each having to be registered using a different case number. Furthermore, Regulation 7/2025 has also narrowed the definition of other parties that have an interest in filed judicial review petitions (“**Related Parties**”) to only encompass parties that have a direct interest in the subject matter of a given petition case.
- Regulation 7/2025 has also revised the applicable legal proceeding phases that apply during judicial review petition cases, as originally outlined under the previous framework of Regulation 2/2021. In this regard, the new framework no longer features certain phases and has also introduced a number of new phases. Among the phases that no longer explicitly feature are notifications that are completed through the Certificate of Notification of

Incomplete Petition Files (*Akta Pemberitahuan Kekuranglengkapan Berkas Permohonan/APKBP*), along with the List of Examination Results of the Completeness of the Petitioner's Petition (*Daftar Hasil Pemeriksaan Kelengkapan Permohonan Pemohon/DHPKP2*).

70. Decree of the Coordinating Minister for Political and Security Affairs No. 96 of 2025 on the Forum for Security, Safety and Law Enforcement in Indonesian Waters and Indonesian Jurisdictions

Enforcement Date: 15 July 2025

Summary:

- This Decree establishes the Forum for Security, Safety and Law Enforcement in Indonesian Waters and Indonesian Jurisdictions ("**Forum**"), which will be responsible for the monitoring and evaluation of all security, safety and law enforcement measures within related areas. The Forum is expected to formulate optimization measures that will ensure the adequate implementation of policies and also help to resolve any problems or obstacles that emerge in relation to processes of security, safety and law enforcement.
- The Decree also stipulates the scope of the monitoring and evaluation that will be undertaken by the Forum, which will include: 1) National policies on security, safety and law enforcement within related areas; 2) Patrols; 3) Search and rescue missions; and so forth. Moreover, the Decree also stipulates that during the carrying out of its duties, the Forum may be assisted by an Implementing Team (*Tim Pelaksana*).
- The Implementing Team will be tasked with the following responsibilities: 1) Provision of input, suggestions and considerations related to problem and obstacle resolution during the implementation of the Forum's duties; 2) Synergizing of strategic steps in relation to implementation of the Forum's duties; and 3) Reporting the results of task implementation to the head of the Forum at least twice a year.

71. Letter of the Clerkship of the Supreme Court No. 835/PAN/HK2/VIII/2025 on the Time Period Calculations for the Filing of Judicial Review Legal Remedies due to Decisions Being Handed Down Based on Acts of Deception or Fraud by Opposing Parties That Were Discovered After the Relevant Cases Were Rendered

Enforcement Date: 8 August 2025

Summary:

- This official Letter of Indonesia's Supreme Court (*Mahkamah Agung* - "**MA**") now officially clarifies the applicable timeframe for the submission of judicial

reviews that address discoveries of deception or fraud that are committed by opposing parties following the rendering of relevant court verdicts, in accordance with Law No. 14 of 1985 on the Supreme Court, as amended several times, most recently by Law No. 3 of 2009 (collectively referred to as “**Law 14/1985**”).

- If it is discovered that a court’s verdict has been issued based on an act of deception or fraud committed by an opposing party after the case in question has already been decided, then this Letter affirms that the applicant in question will have 180 days from the date of discovery of the relevant act of deception or fraud in which to submit a petition for a judicial review.
- Meanwhile, if a court’s verdict has been issued based on evidence that is subsequently declared false by a criminal court judge, then this Letter affirms that the applicant in question will have 180 days from the date of the relevant criminal court decision becoming final and binding and the parties to the case being notified in which to submit a petition for a judicial review.
- However, in contrast with judicial reviews that are based on newly discovered evidence (*novum*), the Letter affirms that Law 14/1985 does not specifically outline any mechanism for determining the exact days/dates upon which the above-outlined deception or fraud are discovered. Nevertheless, the Letter clarifies that the mechanism for determining the days and dates upon which acts of deception or fraud are discovered should be analogized to the mechanism for determining the discovery dates of *novum*.

72. Letter of the Daya Anagata Nusantara Investment Management Agency No. S-063/DI-BP/VII/2025 of 2025 on the Provision of Bonuses, Incentives and/or Income in Other Forms to the Boards of Directors and Boards of Commissioners of State-Owned Enterprises and Their Subsidiaries

Enforcement Date: 30 July 2025

Summary:

- In order to ensure that good corporate governance prevails across Indonesia’s State-Owned Enterprises (*Badan Usaha Milik Negara* – “**BUMN**”) and their subsidiaries, the Daya Anagata Nusantara Investment Management Agency (*Badan Pengelola Investasi Danantara* – “**BPI Danantara**”) has stipulated that the provision of any bonuses, incentives and/or other forms of income to the Boards of Directors (“**BoD**”) of BUMN and their subsidiaries must be based on sound financial reporting. This means that such reports must result from the BUMN operations, should reflect sustainable business activities and should not involve any artificial accounting or financial reporting practices, which include but are not limited to premature revenue recognition and/or any failure to record expenses in order to inflate BUMN profits (financial statement fraud/manipulation). Moreover, if any operating results can be categorized as either a “one-off”

(e.g. asset revaluation, asset sale, quasi-reorganization or the like) or “windfall” in nature, then they must be excluded from these calculations.

- Furthermore, BPI Danantara has also determined that the memberships of the Boards of Commissioners of BUMN and their subsidiaries are not permitted to receive any bonuses, incentives (whether in the form of performance incentives, special incentives and/or long-term incentives) and/or other forms of income that specifically relate to BUMN performance. These provisions will become effective from the 2025 financial year.