Regulation Summary - October 2025

General Corporate

1. **Law No. 16 of 2025 on the Fourth Amendment to Law No. 19 of 2003 on State-Owned Enterprises**

Enforcement Date: 6 October 2025

Summary:

- Originally jointly controlled by BPI Danantara and BP BUMN, the Fourth Amendment now features a different control and ownership scheme for Investment Holdings and Operational Holdings (collectively referred to as "**Holdings**"), as BPI Danantara now holds sole and total control over all Holdings (including 100% share ownership).
- The Fourth Amendment also addresses the overall institutional structure of BUMN governance by clearly separating the functions of BP BUMN and BPI Danantara. BP BUMN has been established as a regulatory body responsible for the formulation, supervision and oversight of policies related to BUMN management, while BPI Danantara has assumed the role of investment and operational manager and will be directly accountable to the president.
- Other revisions that now feature under the Fourth Amendment include the following areas, among others: 1) State Equity Participation in BPI Danantara Capital; 2) BPI Danantara's profits and losses; 3) Status of BUMN/BPI Danantara's employees and management; 4) Ownership of BUMN shares; 5) Management of BUMN dividends; 6) Membership eligibility criteria for the Persero board of directors; and 7) Financial inspections, as undertaken by the Audit Board.

2. **Regulation of the Government No. 38 of 2025 on Central Government Loans**

Enforcement Date: 10 September 2025

Summary:

- This Regulation stipulates that the central government may provide loans to regional governments, State-Owned Enterprises (*Badan Usaha Milik Negara* – "**BUMN**") and Regionally Owned Enterprises (*Badan Usaha Milik Daerah* – "**BUMD**"). Said loans should be disbursed in order to support several activities (e.g. development/provision of infrastructure, delivery of

public services and the empowerment of domestic industries). It should be noted in this regard that the central government must provide loans by paying due consideration to risk management and by taking into account the state's financial capacities in accordance with applicable Laws.

- Furthermore, this Regulation also clarifies that loans that are granted by the central government include loans with terms of more than one year. These loans may only be granted to borrowers after they have first secured approval from Indonesia's House of Representatives (*Dewan Perwakilan Rakyat*/DPR) as part of the original and/or amended version of the State Revenue and Expenditure Budget (*Anggaran Pendapatan Dan Belanja Negara* – "**APBN**"), given that disbursed loans are sourced from the APBN.
- In addition to the central government, the Regulation stipulates that the Minister of Finance is also authorized to provide loans to regional governments, BUMN and BUMD. However, prospective loan recipients must meet several requirements, including: 1) The remaining amount of regional debt financing plus the new debt financing that will be withdrawn must not exceed 75% of the previous year's regional revenue and must not be earmarked for any specific purposes; 2) The regional government's debt repayment capability ratio must be at least 2.5 or as otherwise determined by the Minister; and 3) The regional government must not have any repayment arrears regarding loans that are sourced from the central government and/or other creditors.

3. Regulation of the Minister of Investment and Downstream Industry/Head of the Investment Coordinating Board No. 5 of 2025 on Guidelines and Procedures for the Implementation of Risk-Based Business Licensing and Investment Facilities Through the Electronically Integrated Business Licensing System (Online Single Submission System)

Enforcement Date: 2 October 2025

Summary:

- Regulation of the Minister of Investment and Downstream Industry/Head of the Investment Coordinating Board (*Badan Koordinasi Penanaman Modal* – "**BKPM**") No. 5 of 2025 ("**Regulation 5/2025**") has been issued as a follow-up to Regulation of the Government No. 28 of 2025 on the Organization of Risk-Based Business Licensing and simultaneously repeals three BKPM Regulations. Regulation 5/2025 features an updated set of guidelines and procedures for the implementation of licensing and investment facilities through the Online Single Submission ("**OSS**") system.
- Key updates include the addition of three new OSS subsystems (i.e. Basic Requirements, Investment Facilities and Partnerships) and the shortening of the inactive access rights period after which evaluations are triggered from six months to just 90 days, with automated deactivation procedures and reactivation options also now in place.

- Regulation 5/2025 also introduces facilitation for the securing of licenses for shared commercial buildings and extends all Investment Activity Report (*Laporan Kegiatan Penanaman Modal*/LKPM) submission deadlines by five days, while maintaining the existing reporting frequencies for different enterprise scales.

4. Regulation of the Minister of Cooperatives No. 4 of 2025 on Business Activity Standards for the Implementation of Risk-Based Business Licensing Within the Cooperatives Sector

Enforcement Date: 3 October 2025

Summary:

- Under this Regulation, business actors operating within the cooperatives sector are required to comply with various business activity standards ("**Standards**") during the implementation of Risk-Based Business Licensing (*Perizinan Berusaha Berbasis Risiko* – "**PBBR**") within this sector. Moreover, this Regulation introduces the following two types of business licenses for the cooperatives sector: 1) Cooperatives savings and loan businesses: categorized as high risk; and 2) Cooperatives rating activities: categorized as medium-low risk.
- In this regard, the Regulation stipulates that savings and loan businesses operated by cooperatives must secure business licenses (*Perizinan Berusaha* – "**PB**") in the form of Business Identification Numbers (*Nomor Induk Berusaha*/NIB), savings and loan business licenses and service network licenses. Meanwhile, in terms of cooperatives' ratings activities, the Regulation only requires PB for the cooperative sector to be secured. In this regard, any business actors who violate the license provisions may be subject to the imposition of administrative sanctions ranging from reprimands to the revocation of business licenses.
- In terms of sanctions, this new Regulation also clarifies the sanctions mechanism that will apply to business actors if any discrepancies or violations in their cooperative sector business licenses are discovered during supervision. These sanctions now include: 1) Reprimands; 2) Downgrading of health assessment ratings; 3) Temporary suspension of business activities; 4) Administrative fines; and/or 5) Revocation of cooperative sector business licenses. It should also be noted that the aforementioned sanctions may be imposed in stages, non-sequentially or cumulatively by the Minister of Cooperatives, governors or regents/mayors in accordance with their respective authorities.

5. Regulation of the Minister of Law No. 25 of 2025 on the Organization of Legal Services for Civil Partnerships, Firma Partnerships and Limited Partnerships

Enforcement Date: 13 October 2025

Summary:

- This Regulation has retained the majority of the core aspects of the services offered to Limited Partnerships (*Commanditaire Vennootschap* - "**CV**"), Firma Partnerships (*Persekutuan Firma*) and Civil Partnerships (*Persekutuan Perdata*) (collectively referred to as "**Partnership Entities**") in relation to the registration of deeds of establishment, amendments to articles of association, as well as the dissolution of Partnership Entities through the Business Entities Administration System (*Sistem Administrasi Badan Usaha* – "**SA-BU**"). However, this new framework has also now broadened the scope of these services by including: 1) Closure of SA-BU access to Partnership Entities ("**Access Blocking**"); 2) Reopening of SA-BU access to Partnership Entities previously subject to Access Blocking ("**Access Unblocking**"); and 3) Corrections, searching and downloading of data relating to Partnership Entities ("**Data**").
- The following parties are now allowed to file Access Blocking requests with the Director-General of General Legal Administration at the Ministry of Law ("**Director-General**"): 1) Partners of Partnership Entities that have registered with the SA-BU or their authorized representatives; 2) Relevant governmental ministries, institutions and/or law enforcement agencies; or 3) Receivers (*kurator*) appointed by a commercial court judge (in the event that the relevant Partnership Entity is declared bankrupt), who should enclose an official court bankruptcy decision and receiver's appointment. Following the filing of any Access Blocking and/or Access Unblocking request, the Director-General may summon the relevant parties in order to provide clarification, which will then be taken into consideration prior to the issuance of a written decision of approval or rejection for the filed request.
- Notaries are allowed to file applications for Data corrections in cases where errors or inconsistencies are discovered in any original documents that are retained by said notaries. Moreover, Data at the Ministry of Law is publicly accessible, meaning that members of the general public are welcome to submit applications to the Director-General requesting searches or the downloading of Data electronically through the SA-BU. In this regard, relevant applicants are required to fill out Data request forms for searches or downloads.

6. Regulation of the Minister of Law No. 32 of 2025 on Procedures for Requesting Data Corrections for Legal Entities of Limited-Liability Companies, Foundations and Associations

Enforcement Date: 13 October 2025

Summary:

- In comparison with the now-revoked framework of Regulation of the Minister of Law and Human Rights No. 17 of 2017 ("**Regulation 17/2017**"), this new

framework has now expanded the list of types of limited-liability company data that are permitted to be corrected by notaries, which include the following types of data: 1) Limited-liability company names; and 2) Replacement notary names.
- In terms of the data of foundations, this new framework has also now revised the list of said data that is permitted to be corrected by notaries by no longer featuring foundation assets (*kekayaan*) and founders, as featured under the previous framework of Regulation 17/2017. However, as with the above-mentioned limited-liability company data, this Regulation allows the names of foundations' replacement notaries to be corrected.
- Meanwhile, in terms of associations, this Regulation no longer features meeting types as data that is allowed to be corrected, which was one of the data types that could previously be corrected under the framework of Regulation 17/2017. Nevertheless, the names of associations' replacement notaries may now be corrected.

7. Circular of the Director-General of Intellectual Property No. HKI-16.OT.02.02 of 2025 on the Obligation to Include Geographical Indication Labels and Logos on Products That Have Been Registered as Geographical Indications

Enforcement Date: 13 June 2025

Summary:

- This Circular affirms that any products that are protected as Geographical Indications ("**GI**") must clearly and consistently display the GI label and Indonesian GI logo on their main packaging, labels and promotional materials, in accordance with applicable Laws and Regulations.
- The above-mentioned GI label and logo may only be used by registered owners or users who meet the requirements, operate under the oversight of a managing body and follow an internal quality control system, as stated in the relevant GI product description. Furthermore, the Indonesian GI logo must not be subject to any alteration in its shape, color or proportions, and must be utilized in compliance with technical visual guidelines set by the Directorate-General of Intellectual Property.
- The Circular also affirms that any violations of the above-outlined mandatory affixation of the GI label and Indonesian GI logo to relevant products may result in the imposition of administrative sanctions, including the removal of GI status.

8. Circular of the Director-General of Intellectual Property No. HKI-09.KI.07.01.01 of 2025 on the Improvement and Completion of Geographical Indication Applications During 2025

Enforcement Date: 18 June 2025

Summary:

- This Circular mandates that any regional offices of the Ministry of Law that are located across the country should complete and/or submit at least three applications for Geographical Indications ("**GI**") as a part of efforts to ensure that Indonesia becomes the country with the highest number of GI-protected products in the Association of Southeast Asian Nations (ASEAN) by the end of 2025. As such, these regional offices are mandated to implement concrete strategies aimed at meeting their determined GI application submission targets.

9. Bill on the Fourth Amendment to Law No. 19 of 2003 on State-Owned Enterprises

Enforcement Date: -

Summary:

- The State-Owned Enterprises (*Badan Usaha Milik Negara* **–** "**BUMN**") Regulatory Agency (*Badan Pengelola* BUMN – "**BP BUMN**") has been established as a government agency responsible for the regulation of BUMN. The replacement of the Ministry of BUMN ("**Ministry**") with BP BUMN is set to change the overall supervisory function and institutional leadership of Indonesia's BUMN. In this regard, the authority to manage separated state assets, including Series A Dwiwarna and Series B shares, has been transferred from the Minister to the Head of BP BUMN. Moreover, BP BUMN will have to report directly to the Indonesian President, with further provisions set to be detailed in a forthcoming Presidential Regulation. Furthermore, the Head of BP BUMN will now serve as a regulator and will assume overall responsibility for the formulation of policies, as well as for policy supervision and coordination, and has also been granted an expanded set of powers that encompass approving BPI Danantara work plans, as well as optimizing the role of BUMN in the development and oversight of various governance compliance and performance indicators.
- The authority of the Investment Management Agency (*Badan Pengelola Investasi*) of Daya Anagata Nusantara ("**BPI Danantara**") has also now been expanded. In this regard, BPI Danantara will now act as a guarantor for Investment Holdings after approvals are granted by the body's supervisory board. As a result of this move, BPI Danantara's various organs and employees will now be subject to various regulatory frameworks that address good governance and business ethics. Moreover, similar provisions will also apply to the boards of directors, boards of commissioners and supervisory boards of BUMN. In addition, the requirement for prior ministerial approvals to be granted for special assignments has now been removed, while a number of new tax treatment rules have been introduced for transactions that involve BPI Danantara, Holdings and related entities, as will be further regulated by the government.

- The authority of Indonesia's Financial Audit Agency to audit BUMN financial reports has also been simplified through the scrapping of the "specific purposes" limitation and the Indonesian House of Representatives (*Dewan Perwakilan Rakyat* – "**DPR**") request requirement. Meanwhile, the provision stating that BUMN employees are not categorized as state administrators (*penyelenggara negara*) has also been eliminated, while it has been confirmed that BUMN employees will now be able to occupy strategic positions based on the principle of gender equality. However, the prohibition on the occupying of concurrent positions has been retained and now explicitly includes the roles of Minister and Vice-Minister. Once BP BUMN is ultimately established, the Ministry will be dissolved, while its employees will be transferred to the new body, while any BUMN shares that were previously under the Minister's name will also be transferred to BP BUMN.

Banking

10. Regulation of the Financial Services Authority No. 20 of 2025 on the Mandatory Fulfillment of the Liquidity Coverage Ratio and the Net Stable Funding Ratio by Sharia Commercial Banks and Sharia Business Units

Enforcement Date: 17 September 2025

Summary:

- Sharia Commercial Banks (*Bank Umum Syariah*/BUS) and Sharia Business Units (*Unit Usaha Syariah*/UUS) (collectively referred to as "**Sharia Banks**") are required to maintain adequate liquidity and sufficiently stable funding through the fulfilment of the minimum Liquidity Coverage Ratio ("**LCR**") and Net Stable Funding Ratio ("**NSFR**") thresholds. However, these requirements are set to be phased in gradually, with thresholds of 80% being set for 2026, ultimately moving to full 100% compliance by 2028.
- In order to ensure that they are fully compliant with the LCR requirement, Sharia Banks must hold sufficient amounts of High-Quality Liquid Assets ("**HQLA**") to cover net cash outflows over the duration of any 30-day stress scenario and should also calculate said net cash outflows. In this regard, the LCR is calculated by taking the HQLA and dividing it by total net cash outflows. Sharia Banks are further required to complete daily calculations and submit monthly reports to the Financial Services Authority (*Otoritas Jasa Keuangan* – "**OJK**"). Sharia Banks must also publish their LCR on a quarterly basis so that it can be accessed by the general public.
- Furthermore, in order to comply with the NSFR threshold, Sharia Banks must also maintain a ratio of Available Stable Funding (ASF) to Required Stable Funding (RSF) of at least 100%. Compliance with this requirement involves monthly monitoring, quarterly reporting to the OJK and public

disclosures, with the additional obligation to submit action plans to the OJK if Sharia Banks fall short of this requirement.

11. Regulation of the Financial Services Authority No. 21 of 2025 on the Leverage Ratio Obligation for Sharia Commercial Banks

Enforcement Date: 17 September 2025

Summary:

- This Regulation requires all Sharia Commercial Banks (*Bank Umum Syariah* – "**BUS**") to maintain adequate levels of core capital based on their total exposure, as recorded in both financial position reports and commitment and contingency reports. BUS must also comply with a minimum leverage ratio of 3% at all times, while this obligation is set to commence for the final position for the first quarter of 2026. It should also be noted that if a given BUS is in possession and/or in control of a subsidiary, then the obligation to fulfil the aforesaid leverage ratio will apply both individually (to the BUS in question) and in consolidation (to the BUS and the relevant subsidiary). However, any subsidiaries that engage in sharia insurance business activities will be exempted from this requirement.
- The fulfilment of the above-mentioned leverage ratio involves calculations of both core capital and total exposure. However, this Regulation prohibits BUS from netting assets and liabilities, recognizing collateral or credit-risk mitigation techniques to reduce total exposure or treating assets that have already been accounted for as a reduction in core capital.
- BUS are also required to submit quarterly leverage ratio calculation reports before a deadline of the seventh day after the end of the relevant reporting month for individual reports and a deadline of the final day of the relevant month for consolidated reports. These quarterly reports should be submitted via the official reporting system of the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK) and should be submitted for the first time for the final position for March 2026.
- Any BUS that fail to comply with the leverage ratio calculation and reporting requirements may find themselves subject to the imposition of the following types of administrative sanctions: 1) Written reprimands; 2) Suspensions of certain business activities; and/or 3) Reductions in BUS soundness ratings.

12. Regulation of the Financial Services Authority No. 22 of 2025 on Commercial Bank Reporting Through the Financial Services Authority Reporting System

Enforcement Date: 2 October 2025

Summary:

- The Financial Services Authority (*Otoritas Jasa Keuangan* – "**OJK**") has introduced a new reporting framework for commercial banks ("**Banks**") that replaces the previous "structured and unstructured" reporting categories with new "periodic and incidental" reporting categories. The scope of the applicable reporting requirements has also now been expanded to encompass Representative Offices of Banks Domiciled Abroad (*Kantor Perwakilan dari Bank yang Berkedudukan di Luar Negeri* – "**KPBLN**"). As a result of the introduction of this updated framework, the various periodic reporting components (formerly categorized as structured reporting) have now been revised to encompass daily, monthly, quarterly, semesterly and annual reports.
- In addition, this new framework has now clarified the required qualifications and appointment mechanism for reporting officers. Said officers must be permanent employees of Banks and KPBLN and are responsible for the verification and submission of reports, as well as for the management of user access rights. Furthermore, this new framework mandates that all submissions and corrections that are made to both periodic and incidental reports must be completed in their entirety through the OJK Reporting System (APOLO).
- This new Regulation has also expanded the applicable sanctions regime by introducing a new fine that can be imposed in response to any incomplete or inaccurate incidental reports. This fine has been set at Rp. 100,000 per incorrect entry up to a maximum of Rp. 10 million per report.

13. Draft Bill on the Amendment to Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector

Enforcement Date: -

Summary: -

- The Draft Bill broadens Bank Indonesia ("**BI**")'s operational mandate beyond the achievement of financial system stability to encompass policies that support real sectoral growth, as well as job creation. Furthermore, BI's financial governance is set to be strengthened under the Draft Bill by requiring BI's annual operational budgets to adhere to certain reasonable standards that apply within the financial sector and for official House of Representatives (*Dewan Perwakilan Rakyat* – "**DPR**") approvals to be secured for said budgets.
- Under the Draft Bill, the Deposit Insurance Corporation (*Lembaga Penjamin Simpanan* – "**LPS**") is set to assume a broader role that extends beyond the administration of insurance policy guarantees and the liquidation of failed insurance companies. In this regard, LPS will assume responsibility for the formulation and execution of various resolution policies that will apply to any insurance companies that are declared to be "in resolution" and may even implement rescue measures if said measures are ultimately deemed cost-effective. The Draft Bill also shifts authority for the approval of LPS work plans and budgets from the Ministry of Finance to the DPR.

- Ultimately, the Draft Bill also introduces several important revisions to the Financial Services Authority (*Otoritas Jasa Keuangan* – "**OJK**") institutional framework, most notably through the application of a restorative justice mechanism that will allow for the suspension and termination of investigations upon the achievement of successful resolutions, while limiting investigative powers to police and OJK investigators only. In addition, the Draft Bill grants the DPR the authority to assess the OJK's institutional performance based on official performance reports.

14. Draft Regulation of the Financial Services Authority on the Organization of Islamic Banking Investment Products

Enforcement Date: -

Summary:

- The Draft Regulation mandates that Sharia Commercial Banks, People's Economic Banks *(Bank Perekonomian Rakyat*/BPR) and Sharia Business Units *(Unit Usaha Syariah*/UUS) (collectively referred to as "**Sharia Banks**") must record the official financial position statements of their investment products. Moreover, said investment products must fulfill several fundamental features, which include: 1) Certain types of investment placement contracts, such as *mudarabah* or other contracts, must be compliant with sharia principles; 2) Losses that result from any risks associated with the underlying asset must be borne by investor customers; 3) Investment funds must be separated from liabilities; 4) Investment placement periods must correspond to the tenor of the underlying assets; 5) Total investment funds collected must match the total underlying assets being financed; and so forth.
- The Draft Regulation further clarifies that Sharia Banks must implement governance and risk management during the organization of investment products, which encompass ensuring the competence of all human resources, as well as the adequacy of internal controls. Sharia Banks are also required to establish policies and procedures for the administration of investment products in accordance with applicable Regulations. Said policies and procedures should cover the following areas: 1) Product disclosure standards; 2) Mechanisms for determining underlying assets that will be offered to investor customers; 3) Procedures for maintaining active and periodic relationships with investor customers; and so forth.
- Ultimately, the Draft Regulation states that the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK) may impose written reprimands upon any Sharia Banks that violate the aforementioned provisions. Moreover, any Sharia Banks that remain in non-compliance after receiving said sanction may face additional administrative sanctions, including: 1) Prohibition on the issuance of new Sharia Bank products; 2) Suspension of certain business activities; 3) Restriction on business expansion; 4) Restriction on the initiation of new business activities; and/or 5) Reduction in the governance factor assessment during evaluations of Sharia Bank soundness levels.

15. Draft Circular of the Financial Services Authority on Written Orders for the Handling of Banking Issues

Enforcement Date: -

Summary:

- Written orders that relate to Mergers, Consolidations, Acquisitions, Integrations and/or Conversions (*Penggabungan, Peleburan, Pengambilalihan, Integrasi dan/atau Konversi* - "**P3IK**") may be issued to conventional and sharia commercial banks, as well as to conventional and sharia rural banks (collectively referred to as "**Banks**") and/or Non-Operational Holding Companies of Financial Conglomerates (*Perusahaan Induk Konglomerasi Keuangan* – "**PIKK**") that meet certain specific criteria. Said criteria that will require the execution of written orders include a need for the accelerated handling of problems, the need to resolve financial difficulties that may disrupt business continuity and an inability to withstand current or anticipated pressures. Moreover, Banks and/or Non-Operational PIKK may also be subject to written orders if they are required to meet soundness levels with composite ratings of 1, 2 or 3, or in order to achieve compliance with liquidity and capital regulations or adequate soundness levels for any resulting entities, and so forth.
- If the above-described written orders are issued, then the relevant Banks and/or Non-Operational PIKK will be required to draw up action plans that outline the overall process and schedule of the relevant P3IK implementation up until the point that said process ultimately becomes effective. Once it has been submitted, a given action plan must be implemented and follow-up reports on its progress should also be drawn up. Furthermore, the implementation and continuity of relevant processes must be ensured by any Banks and/or Non-Operational PIKK that receive written orders, in line with the various obligations and supervision regimes that are set by the relevant authorities.
- Requirements and procedures that address follow-ups to written orders must comply with relevant Regulations, unless specific deviations are set out. These requirements and procedures include announcements of merger or consolidation plans within the pages of Indonesian-language daily newspapers, with details also being made available via the official website of the Bank and/or Non-Operational PIKK in question. Said requirements and procedures also include the possibility of shareholder or other related meetings being convened, either physically or through electronic media, and the conducting of clarifications and presentations in line with fit-and-proper assessments via the use of information technology. In addition, exemptions may be made available in relation to any single ownership restrictions that apply to banking and shareholdings in commercial banks, while relaxations may become available to rural banks or sharia rural banks that engage in mergers or consolidations, including relaxations that relate to various licensing and reporting requirements.

Capital Market

16. Decree of the PT Kliring Penjaminan Efek Indonesia Board of Directors No. KEP-080/DIR/KPEI/0925 of 2025 on Rules and Procedures (Rule Book) for the Organization of Tri-Party Agents for Repurchase Agreement Transactions

Enforcement Date: 29 September 2025

Summary:

- Following the appointment of PT Kliring Penjaminan Efek Indonesia ("**KPEI**") in the role of Tri-Party Agent ("**TPA**") for financial transactions, this new Decree has now established a whole new set of eligibility requirements and procedures that apply to prospective TPA Service Users ("**Service Users**") who participate in Repurchase Agreement ("**Repo**") transactions under TPA Repo Facilities. Any Service Users acting as Repo Sellers, Buyers or Agents must meet certain KPEI standards, including the requirement to be an active commercial bank that is a participant in the Bank Indonesia ("**BI**") Real Time Gross Settlement (RTGS) system and Scripless Securities Settlement System (SSSS).
- KPEI will impose various transaction fees on transactions that are completed through TPA Repo Facilities, including a facility usage fee of 0.04% per annum and a non-refundable membership registration fee of Rp. 20 million. Fees will be billed on a monthly basis, with invoices being issued by the fifth business day of the following month and payments becoming due by the sixteenth business day of the month.
- Ultimately, KPEI will enforce a tiered sanctions system for violations, which encompasses the issuance of written reprimands, suspensions of access to facilities and revocations of Service User approvals. The imposition of any such sanctions will be reported to BI and the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK). Furthermore, it should also be noted that sanctions do not release Service Users from the requirement to fulfil their existing KPEI financial obligations.

Employment

17. Regulation of the Minister of Indonesian Migrant Workers Protection/Head of the National Indonesian Migrant Workers

Protection Agency No. 24 of 2025 on Cyber Protection for Indonesian Migrant Workers

Enforcement Date: 15 October 2025

Summary:

- Generally speaking, the Minister of Indonesian Migrant Workers (*Pekerja Migran Indonesia* – "**PMI**") Protection/Head of the National Indonesian Migrant Workers Protection Agency (collectively referred to as "**Ministry**") is responsible for the cyber protection of PMI. This type of protection should be organized in the following forms: 1) Digital literacy; 2) PMI cyber patrols; and 3) Reporting services.
- In terms of the cyber patrols listed in point (2) above, this new framework affirms that said patrols should address indications of misuse and/or cybercrimes that specifically relate to PMI (e.g. fraud, identity theft, hacking of personal social media accounts and so forth) and should be organized across various platforms (e.g. social media, websites and/or other online information platforms). In addition, PMI cyber patrols should be implemented in the following phases: 1) Monitoring; 2) Analysis; and 3) Follow-up measures.

18. Regulation of the Minister of Indonesian Migrant Workers Protection/Head of the National Indonesian Migrant Workers Protection Agency No. 26 of 2025 on Guidance and Supervision of the Placement and Protection of Indonesian Migrant Workers

Enforcement Date: 15 October 2025

Summary:

- The following parties will be subject to guidance and supervision measures in relation to the placement and protection of Indonesian Migrant Workers (*Pekerja Migran Indonesia* – "**PMI**"): 1) PMI; 2) Executors of the placement of PMI, including PMI Placement Companies (*Perusahaan Penempatan Pekerja Migran Indonesia* – "**P3MI**"); and 3) Agencies that organize the placement and protection of PMI (e.g. educational institutions, professional certification bodies, public service facilities and so forth).
- This new framework affirms that the above-mentioned PMI guidance should work to enhance PMI capacities, particularly their understanding of the various laws and cultural customs of their destination countries. Said guidance may take the following forms: 1) Pre-departure orientation; 2) Orientation in destination countries; and/or 3) PMI capacity building.
- Meanwhile, supervision of the placement and protection of PMI should be organized before, during and after PMI commence working. In this regard, the supervision of executors of PMI placements during the pre-employment process should address the following specific areas: 1) Requirements for and the completeness of candidate PMI documentation; 2) PMI candidate

selection processes, as organized by P3MI; 3) Healthcare service facilities for medical examinations of PMI candidates; and 4) Implementation of PMI social security/insurance programs.

19. Regulation of the Social Security Agency for Employment No. 1 of 2025 on the Amendment to Regulation of the Social Security Agency for Employment No. 1 of 2022 on the Payment of Cash Benefits and Employment-Training Benefits Through the Unemployment Insurance Program

Enforcement Date: 2 October 2025

Summary:

- This Amendment adjusts several provisions relating to the implementation of the Unemployment Insurance (*Jaminan Kehilangan Pekerjaan* – "**JKP**") program, as originally set out under Regulation of the Social Security Agency for Employment (*Badan Penyelenggara Jaminan Sosial Ketenagakerjaan* – "**BPJS**") No. 1 of 2022 ("**Regulation 1/2022**"). In order to be eligible to enjoy cash benefits through the JKP program, any workers/laborers who have an employment relationship with an employer and who have registered and paid their contributions, as well as met the requirements that have to be complied with in order to receive JKP benefits ("**JKP Beneficiaries**") must submit an application to BPJS in line with certain requirements. Said requirements encompass the following: must not have secured a job and must be actively seeking work, as evidenced by proof of submitted job applications. This Amendment clarifies that all such job applications must be submitted in response to job vacancy information that is accessed via the Manpower Information System.
- Following the submission of such an application, BPJS will then complete a verification and validation within a maximum of three business days. It should be noted that BPJS may now conduct clarifications during verifications by contacting the relevant Beneficiary, employer, ministry or manpower office. BPJS will subsequently make a cash benefit payment to the Beneficiary within a maximum of three business days if an application is successful and the requirements are deemed to have been completely and correctly met. Regulation 1/2022 did not previously feature these provisions.

20. Circular of the Minister of Manpower No. M/8/HK.04/X/2025 on the Improvement of Human Resources Competence Through Company Participation in Internship Programs for University Graduates

Enforcement Date: 13 October 2025

Summary:

- Following the enforcement of Regulation of the Minister of Manpower No. 8 of 2025 ("**Regulation 8/2025**"), this Circular affirms that internship participants who have managed to secure government aid must fulfil the following criteria: 1) Must be an Indonesian citizen, as evidenced through possession of an Citizenship Identification Number (*Nomor Induk Kependudukan*/NIK); 2) Must have graduated from a diploma or bachelor's degree program a maximum of one year prior to registering for the internship program, as calculated from the date of award of the relevant diploma or degree; and 3) Must have graduated from universities registered with the Ministry of Higher Education, Science and Technology.
- Internship participants who have fulfilled the above criteria and who are therefore eligible to participate in these programs are entitled to receive assistance in the form of a living allowance equivalent to the relevant regency/city-level minimum wage and may enrol in the Work-Accident Insurance (*Jaminan Kecelakaan Kerja*/JKK) and Life Insurance (*Jaminan Kematian*/JKM) programs, with the relevant premiums being paid by the Ministry of Manpower. Said participants will also receive internship certification from the relevant internship organizers ("**Organizers**").
- Additionally, this Circular also mandates Organizer compliance with the following requirements during the organization of internship programs: 1) Must have secured a valid Business Identification Number (*Nomor Induk Berusaha*/NIB) and/or must have registered through the Mandatory Company Manpower Reporting (*Wajib Lapor Ketenagakerjaan Perusahaan*/WLKP) system; 2) Must create an account within the Employment Information System and Services Application (*Sistem Informasi dan Aplikasi Pelayanan Ketenagakerjaan*/SIAPkerja) and must register as an internship organizer through the following website: maganghub.kemnaker.go.id; 3) Must appoint an administrator/operator who will assume responsibility for the implementation of the internship program; 4) Must assign employees to act as internship mentors who will serve as trainers or supervisors and who possess the necessary expertise to assist internship participants in the achievement of their internship objectives; and 5) Must organize their internship programs in accordance with Regulation 8/2025.

21. Decree of the Minister of Manpower No. 343 of 2025 on the Revocation of Decree of the Minister of Manpower No. 133 of 2015 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 Energy Mining Within the Onshore Drilling Sector

Enforcement Date: 24 September 2025

Summary:

- In 2015, the Minister of Manpower ("**Minister**") officially stipulated a set of applicable Indonesian National Work Competency Standards (*Standar*

Kompetensi Kerja Nasional Indonesia – "**SKKNI**") for the onshore drilling sector through the issuance of Decree No. 133 of 2015 ("**Decree 133/2015**"). In this regard, a total of 50 competence units relevant to the onshore drilling sector can be found comprehensively outlined under the Appendix to Decree 133/2015.

- However, a review of Decree 133/2015 has now been completed by the Competency Standards Committee for the Energy and Mineral Resources Sector, the results of which recommend that the Minister revoke Decree 133/2015. Consequently, the Minister has now decided to officially revoke Decree 133/2015 through the enforcement of this Decree.

22. Decree of the Minister of Manpower No. 350 of 2025 on the Stipulation of Indonesian National Work Competency Standards for the Category of Professional, Scientific and Technical Activities in the Main Group of Architecture and Engineering Activities; Analysis and Technical Testing for the Job Position of Rig Inspector

Enforcement Date: 10 October 2025

Summary:

- This Decree stipulates Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia* – "**SKKNI**") for special technical personnel working in mining and quarrying, particularly within the oil-and-gas mining sector, in the position of rig inspector. 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 12 relevant competence units is outlined under the Appendix to the Decree, including: 1) Drafting of inspection plans; 2) Reviews of technical inspection documents; 3) Conducting of inspections of related equipment (e.g. lifting and rotating equipment, circulation equipment, blowout preventers and so forth); 4) Performance of functional testing; and 5) Drafting of inspection reports.

23. Decree of the Minister of Manpower No. 354 of 2025 on Guidelines for the Granting of Mandatory Reporting of Job Vacancy Awards

Enforcement Date: 13 October 2025

Summary:

- Outlined comprehensively under the Appendix to this Decree, the Guidelines for the Mandatory Reporting of Job Vacancies (*Wajib Lapor Lowongan Pekerjaan* - "**WLLP**") will now serve as a reference for the granting of WLLP awards ("**Awards**") to companies that comply with the mandatory reporting of job vacancies via the Employment Information System and Services Application (*Sistem Informasi dan Aplikasi Pelayanan Ketenagakerjaan* – "**SIAPkerja**").
- Broadly speaking, the awards process is to be organized in the following phases: 1) Dissemination of information; 2) Evaluation of award nominee applications; 3) Collection of initial data; 4) Weighting (*pembobotan*); 5) Plenary session and determination of Award recipients; and 5) Announcement of recipients and Awards presentation.
- Companies participating in the awards process will be assessed based on various mandatory and technical criteria. In this regard, this Decree outlines a total of six mandatory criteria, which include the following: 1) The company must be an active user of the Karirhub platform on SIAPkerja; 2) The company's Mandatory Company Manpower Reporting (*Wajib Lapor Ketenagakerjaan Perusahaan* - "**WLKP**") must be completed in accordance with applicable Laws and Regulations; and 3) The company must be legally compliant with all labor regulations.
- Meanwhile, the aforementioned technical criteria comprise measures or indicators that are used to assess the quality, effectiveness and performance achievements of participants, which are quantitative in nature and which are therefore assigned specific weight values. This Decree outlines a total of three technical criteria, which break down as follows: 1) Reporting of job vacancy information and post job openings via SIAPkerja (e.g. number of job vacancy postings during the January - September 2025 period); 2) Reporting of the ratio of workforce placements to the number of job vacancy postings published through the Karirhub platform via SIAPkerja; and 3) Commitment to and implementation of inclusive, non-discriminatory and open employment opportunities that are available to all workforce groups, including positions that are allocated to persons with disabilities.

Energy

24. Regulation of the Government No. 39 of 2025 on the Second Amendment to Regulation of the Government No. 96 of 2021 on the Implementation of Mineral and Coal Mining Business Activities

Enforcement Date: 11 September 2025

Summary:

- The Second Amendment introduces a new mechanism for the granting of Mining Business License Areas (*Wilayah Izin Usaha Pertambangan* – "**WIUP**") through a priority scheme that will now be implemented in addition to the auction method. This framework also allows cooperatives, small- and medium-scale business entities, state-owned and regionally owned enterprises, business entities owned by religious community organizations and private entities to secure WIUP through a priority granting mechanism. The Second Amendment also replaces the previous framework for the granting of Special WIUP (*WIUP Khusus* – "**WIUPK**") with the aforementioned priority-based system.
- In addition, the Second Amendment adds a new requirement for holders of Rock Mining Permits (*Surat Izin Penambangan Batuan* – "**SIPB**"), who must now prepare and submit mining plans for approval before commencing any mining activities. Said plans must contain information on reserves, mining plans that will be implemented during SIPB validity periods, environmental management plans and mining safety management plans at the least.
- Furthermore, the Second Amendment has also now expanded the scope of mining service business activities to encompass processing as one of the permitted services, in addition to services relating to general surveys, exploration, feasibility studies, construction, transportation, mining environment, reclamation and post-mining, mining safety and mining operations.

25. Regulation of the President No. 94 of 2025 on Integrated Digital Services for Mineral and Coal Commodities

Enforcement Date: 11 September 2025

Summary:

- This Regulation addresses the integration of various business processes, information systems, data interoperability and the security of electronic-based government systems (collectively referred to as "**Digital Services**"), all of which must be implemented in line with the applicable Laws that address electronic-based governance and the One Data Indonesia policy. Digital Services encompass mineral and coal commodities, while the types of commodities that are required to be integrated into the Digital Services during 2025 break down as follows: 1) Coal; 2) Tin; 3) Nickel; 4) Bauxite; and 5) Copper.
- This new Regulation also introduces 15 Digital Service processes, including: 1) Licensing data interoperability; 2) Data on mineral and coal resources and reserves; 3) Purchase, production and sales planning; 4) Realization of purchases, production and sales; 5) Proof of levies' and royalties' payments; and so forth. The outputs generated from the aforementioned Digital Service processes will then subsequently serve as a reference in relation to other related processes. This Regulation also clarifies the roles of relevant ministries during the implementation of Digital

Services, including the Ministry of Energy and Mineral Resources, the Ministry of Finance and the Ministry of Trade.

- It should also be noted that if Digital Services experience any technical disruptions within a certain period that impede or interrupt their implementation, then said services will be provided through applications managed by the relevant ministers and/or through other mechanisms, in accordance with applicable Laws.

26. Regulation of the President No. 109 of 2025 on the Handling of Urban Waste Through Waste-to-Renewable-Energy Processing Based on Environmentally Friendly Technologies

Enforcement Date: 10 October 2025

Summary:

- While the previous framework did not address any specific forms of Waste-Based Power Plants (*Pembangkit Listrik Tenaga Sampah* – "**PLTSa**"), this Regulation now categorizes Waste-to-Renewable-Energy Processing Based on Environmentally Friendly Technologies (*Pengolahan Sampah menjadi Energi Terbarukan Berbasis Teknologi Ramah Lingkungan* - "**PSE**") into the four distinct classifications, which include Environmentally Friendly Technology-Based Waste-to-Energy Processing (*Pengolah Sampah Berbasis Teknologi Ramah Lingkungan menjadi Energi Listrik* - "**PSEL**"). In this regard, any cities/regencies that meet the following criteria will now be required to organize PSEL: 1) Daily waste generation of at least 1,000 tons; 2) Sufficient Regional Revenue and Expenditure Budgets (*Anggaran Pendapatan Dan Belanja Daerah*/APBD) are available to be allocated and utilized for waste management purposes; 3) Land is available for both waste management and the construction of PSEL facilities; and 4) Commitments through regional regulation that address sanitation service fees can be provided.
- The organization of PSEL comprises planning and implementation phases, while PSEL facilities should be constructed by specific Business Entities for the Development and Management of PSEL (*Badan Usaha Pengembang dan Pengelola PSEL* - "**BUPP PSEL**"). In this regard, BUPP PSEL will be selected by the Investment Management Agency (*Badan Pengelola Investasi*) of Daya Anagata Nusantara ("**BPI Danantara**") and/or State-Owned Enterprises (*Badan Usaha Milik Negara* **–** "**BUMN**") and/or BUMN subsidiaries. Moreover, PSEL should commence their commercial operations once they have secured operational feasibility certification and signed commercial operations reports for PSEL power plants with operational periods of 30 years, as drawn up by PT PLN (Persero) and the relevant BUPP PSEL.
- Although previously, the applicable electrical power purchase price set by PT PLN (Persero) was determined based on the scales and capacities of PLTSa, this new Regulation mandates that Power-Purchase Agreements (*Perjanjian Jual Beli Tenaga Listrik* – "**PJBL**") should be drawn up between

PT PLN (Persero) and BUPP PSEL and should set electrical power purchase prices of US$ 0.20 per kilowatt-hour (kWh) for all capacities. Furthermore, PT PLN (Persero) is required to sign PJBL within 10 business days of BUPP PSEL securing pre-construction permits. PJBL will have a 30-year validity.

27. Regulation of the President No. 110 of 2025 on the Organization of Carbon Economic Value Instruments and National Greenhouse Gas Emissions Controls

Enforcement Date: 10 October 2025

Summary:

- In essence, this new Regulation now includes allocations of carbon dioxide equivalent (CO2e) emissions that are permitted during a specific period in accordance with national capacity ("**Carbon Allocation**") as part of the organization of instruments of Carbon Economic Value (*Nilai Ekonomi Karbon* – "**NEK**"). Carbon Allocation will now serve as the basis for the planning, formulation and stipulation of Indonesia's Nationally Determined Contribution ("**NDC**") targets and initiatives. Moreover, the maritime and fisheries sector and blue carbon subsector have now made it onto the list of sectors and subsectors that are participating in climate change mitigation efforts.
- This Regulation has also revised the accounting procedures for carbon derived from emissions reduction and/or absorption in tons of carbon dioxide equivalent ("**Carbon Units**") as a part of the NDC in order to avoid double counting after transfers of Carbon Units abroad ("**Corresponding Adjustment**"). This Corresponding Adjustment is now an essential element of the implementation of foreign carbon trading, as certain foreign trades may require prior authorization and Corresponding Adjustments.
- This Regulation also redefines the overall mechanism for carbon trading by specifically distinguishing between domestic and foreign trade mechanisms, as well as mandating that all such trading should be registered with the Carbon Unit Registry System (*Sistem Registri Unit Karbon*/SRUK). Another notable revision introduced under this Regulation includes the recognition of Non-SPE GRK Carbon Units in domestic Carbon Units trading derived from GHG emissions offsetting that adheres to relevant international standards. However, any businesses and/or activities that will secure these Carbon Units must submit Climate Change Mitigation Action Plan Documents (*Dokumen Rancangan Aksi Mitigasi Perubahan Iklim*/DRAM) for SPE GRK Carbon Units or Project Planning Documents (*Dokumen Perencanaan Proyek*/DPP) for Non-SPE GRK Carbon Units.

28. Regulation of the Minister of Energy and Mineral Resources No. 17 of 2025 on Procedures for the Preparation, Submission and Approval of

Work Plans and Budgets, and the Reporting of Mineral and Coal Mining Business Activities

Enforcement Date: 3 October 2025

Summary:

- This Regulation now requires holders of Mining Business Licenses (*Izin Usaha Pertambangan* - "**IUP**") and Special Mining Business Licenses (IUP *Khusus* - "**IUPK**") for both the exploration and production operation stages, as well as IUPK holders who are continuing contracts or agreements, to submit their Work Plans and Budgets (*Rencana Kerja dan Anggaran Biaya* - "**RKAB**") to the Minister of Energy and Mineral Resources ("**Minister**") or relevant governor, in accordance with their authorities. Furthermore, information on the implementation of RKAB must now be incorporated into mandatory quarterly reports. Previously, the now-revoked framework of Regulation of the Minister No. 10 of 2023, as amended by Regulation of the Minister No. 15 of 2024, affirmed that information on the implementation of RKAB was required to be submitted as a part of written reports to the Minister and relevant governor.
- RKAB must include a one-year mining business plan. The Regulation also expands submission requirements for the securing of RKAB approvals for either the exploration or production stage. Said submission requirements now also include proof of non-tax state revenue payments for mineral and coal resources, digital maps of exploration realization and plans, and proof of reclamation guarantee placements.
- Furthermore, the Regulation has now broadened the scope of the mandatory periodic reports that must be submitted by IUP and IUPK holders during the production operation stage or continuing contract/agreement stage to include: 1) Plans for and the realization of mine water management and geotechnical monitoring; 2) Plans for and the realization of the use of mining equipment; and 3) Plans for and the realization of workforce utilization and training costs; and so on.

29. Decree of the Minister of Energy and Mineral Resources No. 341.K/MB.01/MEM.B/2025 on Technical Guidelines for the Drafting, Evaluation and Approval of Work Plans and Funding Budgets for Mineral and Coal Mining Business Activities

Enforcement Date: 14 October 2025

Summary:

- Outlined comprehensively under the Appendix to this Decree, this new set of guidelines will now serve as a reference for the drafting of Work Plans and Funding Budgets (*Rencana Kerja dan Anggaran Biaya* – "**RKAB**") and include various documentation and approval formats, as well as various evaluation aspects.

- Broadly speaking, these formats and evaluation aspects apply to the following parties: 1) Holders of Mining Business Licenses (*Izin Usaha Pertambangan* – "**IUP**") for the Exploration Stage or Special Mining Business Licenses (*Izin Usaha Pertambangan Khusus* – "**IUPK**") for the Exploration Stage, as are secured for groups of metallic minerals, non-metallic minerals/specific types of non-metallic minerals, rocks and coal; and 2) Holders of IUP for the Production Operation Stage, holders of IUPK for the Production Operation stage or holders of IUPK as a Continuation of Contracts of Work (*Kontrak Karya* – "**KK**") or Coal Contracts of Work (*Perjanjian Karya Pengusahaan Pertambangan Batubara* – "**PKP2B**"), as are secured for groups of metallic minerals, non-metallic minerals/specific types of non-metallic minerals, rocks and coal.
- It should be noted that the aforementioned document and approval formats, as well as evaluation aspects, will also apply to holders of KK and PKP2B.

Environment

30. Regulation of the Minister of Environment/Head of the Environmental Control Agency No. 18 of 2025 on the Organization of Thematic Environmental Geospatial Information

Enforcement Date: 6 October 2025

Summary:

- Under this new framework, Thematic Geospatial Information (*Informasi Geospasial Tematik* - "**IGT**") within the environmental sector breaks down into the following fields: 1) Sustainable environmental management and natural resources; 2) Control of pollution and environmental degradation; 3) Management of waste, wastewater and hazardous and toxic materials; 4) Control of climate change and governance of carbon economic value; and 5) Enforcement of environmental laws. By way of comparison, the previous framework of Regulation of the Minister of Environment and Forestry No. 24 of 2021 ("**Regulation 24/2021**") did not address the governance of carbon economic value, as listed in point (4) above.

31. Decree of the Minister of Environment/Head of the Environmental Control Agency No. 2569 of 2025 on the Management of Organic Waste

Enforcement Date: 14 October 2025

Summary:

- This Decree requires all individuals to sort their organic waste. Said waste is further classified into soft and hard organic waste. Upon being sorted, organic waste will be transported to integrated garbage management facilities (*Tempat Pengolahan Sampah Terpadu* - "**TPST**") or other organic waste processing facilities.
- The aforementioned organic waste is required to be processed by various parties, including: 1) Individuals (for processing at the source level); and 2) Organizers of waste areas or facilities ("**Organizers**") (within their specific areas or facilities). In this regard, the processing of organic waste should be carried out in the following phases: 1) At the source or communal levels: must be implemented by households or small businesses through the application of simple and environmentally friendly methods; 2) At the area or facility levels: must be fully organized by Organizers (which may involve other licensed third parties), while said activities must be reported to the relevant regional governments; and 3) At the city/regency-level: organic waste processing should focus on large-scale, non-household organic waste and should be implemented at Reduce, Reuse and Recycle waste processing facilities, TPST or other industrial scale processing facilities.
- This Decree affirms that organic waste should be processed in line with four core factors (i.e. types and characteristics of organic waste, scale of processing, availability of the relevant technology and the potential for the utilization of processing byproducts). The aforementioned processing byproducts should be utilized for various purposes, including: 1) As solid and/or liquid organic fertilizer; 2) As sources of renewable energy (e.g. biogas); and 3) As soil improver (e.g. compost, biochar or humic acid).
- In terms of the implementation of the aforementioned organic waste processing, this Decree outlines five roles that can be performed by business actors (e.g. sorting of organic waste at its source, development of technologies and innovations relating to the processing, utilization of organic waste and so forth). The Decree also outlines five responsibilities, which include the following: 1) Prevention of and reduction in the levels of expired and rejected products, as well as organic waste that results from business activities; and 2) Handling of expired and rejected products, as well as organic waste that results from business activities.

General Financial Services

32. Regulation of the Government No. 43 of 2025 on Financial Reporting

Enforcement Date: 19 September 2025

Summary:

- This new Regulation establishes a structured financial reporting ("**Reports**") mechanism for financial sector business actors (*Pelaku Usaha Sektor*

Keuangan – "**PUSK**") and parties that conduct business interactions with financial sector institutions ("**Parties**") (collectively referred to as "**Reporting Entities**"). Said reports must be prepared by qualified professionals, signed by authorized representatives and submitted through the Financial Reporting Single Window (*Platform Bersama Pelaporan Keuangan* – "**PBPK**").

- Furthermore, an independent committee ("**Committee**") has been formed under this Regulation to develop and adopt financial reporting standards ("**Standards**"). This Committee comprises the executive and steering committees, which are supported by various subcommittees and working groups that will assist with the drafting, implementation and evaluation of the Standards. Operating under direct presidential supervision, the Committee makes decisions by deliberation or majority voting and may be supported by a secretariat.
- Ultimately, the Regulation stipulates that the PBPK will serve as a centralized platform for use by both Reporting Entities and certain users (e.g. ministries, agencies and/or authorities ["**Officials**"] and parties organizing PBPK) in order to access Reports. Operated by the Ministry of Finance, the PBPK requires the securing of prior access authorization, while its rollout will be phased in gradually based on entity types and timelines. Additionally, administrative sanctions may be imposed upon any Reporting Entities that fail to comply with reporting obligations or upon Officials who breach any data security and confidentiality rules.

33. Draft Circular of the Financial Services Authority on Assessments of the Soundness Levels of Guarantee Institutions

Enforcement Date: -

Summary:

- Guarantee institutions are required to complete individual soundness level assessments ("**Self-Assessment**") through the application of a risk-based approach. The scope of Self-Assessments covers the following four factors: 1) Good corporate governance; 2) Risk profile; 3) Profitability (*rentabilitas*); and 4) Capital. In addition, any guarantee institution that operates a Sharia Business Unit (*Unit Usaha Syariah* – "**UUS**") must also perform an individual soundness assessment for its UUS, with a special focus on the risk profile factor.
- Self-Assessments must be conducted on an annual basis at least for positions at the end of December. Moreover, Self-Assessments will have to be updated whenever necessary, such as when financial conditions deteriorate or significant external/internal factors arise. The results of Self-Assessments must be submitted in line with the following deadlines: 1) For the position at the end of December: no later than 15 February of the following year; and 2) For updated assessments: no later than 30 business days from the completion of the relevant update. Reports should be submitted online via the OJK's data communications network system.

However, if this online system is unavailable, then submissions may be completed offline (either directly or through a courier service) through the use of electronic storage media (e.g. compact disc), which should be submitted with a printed cover letter signed by the relevant board of directors.

Infrastructure and Construction Services

34. Regulation of the Head of the Capital City of Nusantara Authority No. 9 of 2025 on Procedures for the Implementation of Public-Private Partnerships Within the Capital City of Nusantara under the Jurisdiction of the Capital City of Nusantara Authority

Enforcement Date: 29 September 2025

Summary:

- Broadly speaking, this Regulation sets out a new mechanism for collaborations that are initiated between the government and business entities through the Public-Private Partnerships (*Kerja Sama Pemerintah dan Badan Usaha* – "**KPBU**") scheme for the provision of infrastructure within the context of funding for the preparation, development and relocation of the Indonesian capital to the Capital City of Nusantara (*Ibu Kota Nusantara* – "**IKN**"). This Regulation affirms that the organization of the KPBU IKN falls under the jurisdiction of the IKN Authority (*Otorita Ibu Kota Nusantara* - "**OIKN**"), while the following parties are eligible to become KPBU IKN organizers: 1) Parties Responsible for Partnership Projects (*Penanggung Jawab Proyek Kerja Sama* – "**PJPK**"); 2) State-Owned Enterprises under the Control of OIKN (*Badan Usaha Otorita Ibu Kota Nusantara*/BUO); 3) The KPBU IKN Committee; 4) Advisors working on KPBU IKN projects; 5) Preparatory bodies; and 6) Joint-coordination forums.
- Pursuant to this Regulation, the Head of the OIKN will act as the PJPK for the provision of infrastructure through a consideration of relevant authorities within related fields and sectors, as well as the IKN master plan and other detailed plans. However, the Head of the OIKN may also delegate this authority to senior OIKN officials. Moreover, the KPBU IKN may be jointly organized by two or more PJPK for a given single type of infrastructure through the combination of two or more types of infrastructure or through the combination of two or more PJPK for two or more types of infrastructure.
- The Regulation also stipulates that a KPBU IKN may be initiated by either a PJPK or a business entity. In terms of business-initiated KPBU IKN, this Regulation affirms that relevant KPBU IKN proposals may be submitted by

business entities provided that they meet the following criteria: 1) Must have secured a notification letter of analysis results in order to proceed with the KBPU IKN funding scheme; or 2) Must be in possession of the majority or all of the required IKN land (in the form of community-owned land) in order to implement the KBPU IKN.

35. Circular of the Director-General of Construction Development No. 182/SE/DK/2025 on Procedures for the Drafting of Cost Estimates for Public Works Construction Projects

Enforcement Date: 19 September 2025

Summary:

- The enforcement of this Circular has resulted in the repeal and replacement of Circular of the Director-General of Construction Development ("**Director-General**") No. 30/SE/DK/2025, which bore a similar title to this Circular ("**Circular 30/2025**"). However, it should be noted that any procurement packages that have already been initiated via the General Procurement Plan Information System (*Sistem Informasi Rencana Umum Pengadaan*/SIRUP) and that utilize the Analysis of Unit Prices (*Analisis Harga Satuan Pekerjaan* – "**AHSP**") approach set out under Regulation of the Minister of Public Works and Public Housing No. 8 of 2023 and Circular 30/2025, may continue to be processed until their completion for a maximum of 20 business days after the enforcement of this Circular.
- Moreover, while Circular 30/2025 only addressed submissions of new AHSP proposals, this new Circular now distinguishes between new AHSP submissions and their subsequent amendments. Furthermore, said amendments have been further divided into major and minor amendments. This classification should ensure greater accountability and clearer procedural steps for the submission, review and approval of AHSP, as supported by verification mechanisms and binding administrative undertakings in cases of pending evaluations. Details on amended AHSP proposals are outlined comprehensively under the Appendix to this Decree.

Land & Property

36. Regulation of the Minister of Finance No. 65 of 2025 on Procedures for the Disbursement of Interest Subsidies/Margin Subsidies Through the Housing Credit Program

Enforcement Date: 24 September 2025

Summary:

- Regulation of the Minister of Finance No. 65 of 2025 ("**Regulation 65/2025**") on Guidelines for the Disbursement of Interest Subsidies and Margin Subsidies (collectively referred to as "**Subsidies**") Through the Housing Credit Program has been introduced in order to support the National Housing Program through expanded access to credit for micro-, small- and medium-scale enterprises (*Usaha Mikro, Kecil dan Menengah* – "**UMKM**") operating within the housing sector. These guidelines address the provision of Subsidies under the Housing Credit Program.
- Financial service institutions or cooperatives that are designated as social distributors under the Housing Credit Program ("**Distributors**") are required to draw up Annual Distribution Plans (*Rencana Target Penyaluran* – "**RTP**") that include disbursement targets, subsidy claims and performance data. All RTP should be submitted two years prior to the relevant disbursement year. Subsidies are calculated based on outstanding principal, rate and interest/margin days, with maximum periods and exceptions being clearly defined.
- During the 2025 - 2027 period, the Budget User Authority (*Kuasa Pengguna Anggaran* – "**KPA**") will assume responsibility for the oversight of RTP preparation, while from 2028 onward, Distributors will assume direct responsibility for this area. The KPA will review all RTP with the Secretariat of the Committee for UMKM Financing Policies in order to determine budgetary requirements and will also prepare annual Fund Requirement Indications (*Indikasi Kebutuhan Dana*/IKD), thereby ensuring timely and accurate subsidy planning and alignment with fiscal policies.

37. Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 9 of 2025 on the Amendment to Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 5 of 2025 on the Delegation of Authority for the Stipulation of Land Rights and Land Registration Activities

Enforcement Date: 26 September 2025

Summary:

- In comparison with the original framework of Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency No. 5 of 2025 ("**Regulation 5/2025**"), this Amendment has now clarified the authority of the Director-General for Determinations of Rights and Land Registrations to determine the following rights for legal entities over state land or land with management rights of certain sizes and in certain locations: 1) Right to Cultivate (*Hak Guna Usaha*); 2) Right to Build (*Hak Guna Bangunan*); and 3) Right to Use (*Hak Pakai*).
- It should also be noted that under this Amendment, any Right to Cultivate, Right to Build or Right to Use land titles that were granted prior to its

enactment will remain valid until their expiration dates. However, all extensions or renewals of such rights will be processed in accordance with the various provisions that are set out under this Amendment. Meanwhile, any extensions or renewals of individual rights that exceed the stipulated sizes may continue to be granted through the authority of the head of the relevant regional office.

38. Regulation of the Head of the Batam Free Trade Zone and Free Port Authority No. 6 of 2025 on Land Management

Enforcement Date: 26 September 2025

Summary:

- The goal of this Regulation is to ensure that land management, particularly land allocations, are in line with applicable standards and frameworks through the use of the Land Management System ("**System**") of the Batam Free Trade and Free Port Area Authority (*Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Batam* – "**BP Batam**"). Land allocation is the core mechanism for the transfer of BP Batam's management rights to recipients in order for them to engage in specified uses. In this regard, allocated land must be part of BP Batam's official management rights, must conform to the Master Plan (*Rencana Induk*) and/or Spatial Plan (*Rencana Tata Ruang*), and must not be categorized as forested areas. The maximum duration of any land allocation has been set at 80 years, which can be granted in stages, as follows: 1) Allocation of up to 30 years; 2) Extension of up to 20 years; and 3) Renewal of up to 30 years.
- Land can be allocated through three procedures, specifically: 1) Open Allocation (*Alokasi Tanah Terbuka*), which is conducted openly, usually in relation to developed or mature land, and which also involves an announcement period; 2) Regular Allocation (*Alokasi Tanah Reguler*), with applications being based on land locations that are stored within the System; or 3) Direct Allocation (*Alokasi Tanah Langsung*) in line with specific criteria, such as nationally strategic projects, special economic zones, housing (for individuals), government facilities, land reclamations or land required for urgent developments (e.g. flood control).
- Recipients are required to pay a mandatory annual fee (*Uang Wajib Tahunan* – "**UWT**"), which is calculated on a per-square-meter basis based on the relevant duration (allocation of 30 years, extension of 20 years or renewal of 30 years) and development zone. In terms of Open and Regular Allocations specifically, bank guarantees (set at 10% of the relevant investment values) may also be required. Additionally, recipients must also pay certain tariffs, which are set separately for allocations, extensions, renewals and administration. These tariffs cover various land uses (e.g. simple apartments, residential, industrial, tourism, government facilities and agriculture).

Manufacturing & Industry

39. Regulation of the Government No. 33 of 2025 on the Revocation of Regulation of the Government No. 9 of 2018 on Procedures for Controls over the Import of Fisheries Commodities and Salt Commodities as Industrial Raw Materials and Auxiliary Materials

Enforcement Date: 29 July 2025

Summary:

- In 2018, the government introduced Regulation of the Government No. 9 of 2018 on Procedures for Controls over the Import of Fisheries Commodities and Salt Commodities as Industrial Raw Materials and Auxiliary Materials ("**Regulation 9/2018**"). As this title suggests, the framework of Regulation 9/2018 addressed various efforts of the government to control imports of fisheries and salt commodities by requiring recommendations to first be secured for all such imports from the Minister of Maritime Affairs and Fisheries.
- However, based on a recent review of the above policies that was conducted by the government and that assessed procedures for controlling imports of fisheries commodities and salt commodities to be used as raw materials and supporting materials by industry, it has now been concluded that provisions of Regulation 9/2018 are no longer in line with current legal requirements. In light of this review, the government has now decided to officially revoke Regulation 9/2018 through the enforcement of this Regulation.

40. Regulation of the Minister of Industry No. 37 of 2025 on Business Activity and/or Product/Service Standards for the Implementation of Risk-Based Business Licensing Within the Industrial Sector

Enforcement Date: 5 October 2025

Summary:

- This new framework repeals and replaces: 1) Regulation of the Minister of Industry ("**Minister**") No. 15 of 2019 on the Issuance of Industrial Business Licenses and Expansion Licenses under the Framework of Electronically Integrated Business Licensing Services ("**Regulation 15/2019**"); 2) Regulation of the Minister No. 45 of 2019 on Procedures for the Granting of Industrial Estate Business Licenses and Expansion Licenses under the Framework of Electronically Integrated Business Licensing Services

("**Regulation 45/2019**"); and 3) Regulation of the Minister No. 9 of 2021 on Business Activity and/or Product Standards for the Implementation of Risk-Based Business Licensing Within the Industrial Sector ("**Regulation 9/2021**").

- Broadly speaking, this Regulation integrates provisions originally set out under the aforementioned revoked frameworks by establishing various product and/or service standards for the implementation of Risk-Based Business Licensing (*Penyelenggaraan Perizinan Berusaha Berbasis Risiko* - "**PBBR**") within the industrial sector. Said standards include: 1) Indonesian National Standard (*Standar Nasional Indonesia*/SNI) certification, technical specifications or procedural guidelines; 2) Certificates of authenticity for documents that address the prevention and management of emergency situations that involve chemicals and that arise during industrial business activities; 3) Industrial estate accreditation certification; 4) Green industrial standard certification; and 5) Indonesian National Work Competency Standards (*Standar Kompetensi Kerja Nasional Indonesia*/SKKNI) certificate.
- Moreover, the Regulation has now clarified that industrial sector licensing applications may be submitted by business actors through the integrated Online Single Submission system, which is linked to the National Industrial Information System (*Sistem Informasi Industri Nasional*/SIINas) account, based on determined risk levels and business scales. The available business scales include: 1) Small-scale operations with capital of up to Rp. 5 billion; 2) Medium-scale operations with capital of between Rp. 5 billion and Rp. 10 billion; and 3) Large-scale operations with capital that exceeds Rp. 10 billion. Furthermore, the Regulation addresses a total of 18 types of Business Licenses to Support Business Activities (*Perizinan Berusaha Untuk Menunjang Kegiatan Usaha*/PB UMKU) that are available within the industrial sector. Said licenses range from registration marks to validation certification for specific documents.

41. Decree of the Minister of Industry No. 3186 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Corn Starch

Enforcement Date: 8 August 2025

Summary:

- The Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for corn starch. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include eight testing laboratories and nine product certification agencies that are set to enforce SNI 8523:2024 on Corn Starch.

42. Decree of the Minister of Industry No. 3187 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Powdered Non-Dairy Creamer

Enforcement Date: 8 August 2025

Summary:

- The Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for powdered non-dairy creamer. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include fourteen testing laboratories and nine product certification agencies that are set to enforce SNI 4444:2018 on Powdered Non-Dairy Creamer.

43. Decree of the Minister of Industry No. 3188 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Iodized Edible Salt

Enforcement Date: 8 August 2025

Summary:

- This Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for iodized edible salt. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include 23 testing laboratories and 42 product certification agencies that are set to enforce SNI 3556:2024 on Iodized Edible Salt.

44. Decree of the Minister of Industry No. 3189 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Safety Glass for Motor Vehicles

Enforcement Date: 8 August 2025

Summary:

- This Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for safety glass for motor

vehicles. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include ten testing laboratories and seven product certification agencies that are set to enforce SNI 8210:2018 on Safety Glass for Motor Vehicles.
- Upon the enforcement of the Decree, the previous framework on the appointment of product certification agencies and testing laboratories for the enforcement of the mandatory SNI for safety glass for motor vehicles, as outlined under Decree of the Minister of Industry No. 4057 of 2023 and its Amendment, was repealed and replaced.

45. Decree of the Minister of Industry No. 3194 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Steel Wire Ropes and Steel Wire Ropes for Oil and Gas

Enforcement Date: 8 August 2025

Summary:

- This Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for steel wire ropes and steel wire ropes for oil and gas. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include eight testing laboratories and eleven product certification agencies that are set to enforce SNI 76:2025 and SNI 727:2025 on Steel Wire Ropes and Steel Wire Ropes for Oil and Gas.
- Upon the enforcement of the Decree, the previous framework on the appointment of product certification agencies and testing laboratories for the enforcement of the mandatory SNI for steel wire ropes and steel wire ropes for oil and gas, as outlined under Decree of the Minister of Industry No. 4057 of 2023 and its Amendment, was repealed and replaced.

46. Decree of the Minister of Industry No. 3195 of 2025 on the Appointment of Conformity Assessment Agencies for the Mandatory Enforcement of the Indonesian National Standard for Water Meters

Enforcement Date: 8 August 2025

Summary:

- This Decree officially appoints various product certification agencies and testing laboratories in order to enforce the mandatory National Indonesian Standard (*Standar Nasional Indonesia* – "**SNI**") for water meters. The aforementioned appointed agencies are outlined comprehensively under the Appendix to the Decree and include ten testing laboratories and six

product certification agencies that are set to enforce SNI 2547:2024 on Water Meters.
- Upon the enforcement of the Decree, the previous framework on the appointment of product certification agencies and testing laboratories for the enforcement of the mandatory SNI for water meters, as outlined under Decree of the Minister of Industry No. 4057 of 2023, was repealed and replaced.

Natural Resources

47. Regulation of the Minister of Agriculture No. 23 of 2025 on the Amendment to Regulation of the Minister of Agriculture No. 19 of 2025 on Requirements for the Importation of Animal Products Originating from Countries or Zones Within Countries of Importation Origin under Certain Circumstances

Enforcement Date: 15 October 2025

Summary:

- This Amendment has now expanded the scope of the Minister of Agriculture's mandate to the Director-General of Livestock and Animal Health to not only cover the issuance of letters of rejection for requests to designate foot-and-mouth disease (*Penyakit Mulut dan Kuku* – "**PMK**") disease-free zones and business units but also the designation of PMK-free zones and business units.

48. Regulation of the Minister of Agriculture No. 24 of 2025 on the Registration of Horticultural Plant Varieties

Enforcement Date: 13 October 2025

Summary:

- While the previous framework of Regulation of the Minister of Agriculture ("**Minister**") No. 38/PERMENTAN/OT.140/7/2011 ("**Regulation 38/2011**") only required horticultural plant varieties ("**Varieties**") deriving from domestic breeding (*pemuliaan*) to be registered, this new framework now states that in addition to said domestically grown Varieties, other Varieties that are introduced from abroad (through a process known as "Introduction") are also required to be registered prior to their distribution. Furthermore, this Regulation now allows for superior quality local Varieties to also be registered.

- Broadly speaking, this new framework affirms that the aforementioned registration of Varieties should encompass the following phases: 1) Testing; 2) Assessment; 3) Submission of application; and 4) Issuance of Varieties registration markings. By way of comparison with the previous framework of Regulation 38/2011, the testing phase listed in point (1) above is now covered by a new set of procedures for superiority testing that did not previously feature.
- It should also be noted that under this new Regulation, applications for the registration of Varieties should be submitted via the Online Single Submission (OSS) system. If said applications ultimately meet the determined criteria and requirements, then Varieties registration markings will subsequently be issued in the form of business licensing documents.

49. Regulation of the Minister of Agriculture No. 26 of 2025 on the Implementation of Regulation of the Government No. 81 of 2020 on the Financing of Agricultural Business

Enforcement Date: 13 October 2025

Summary:

- In essence, agricultural business cost requirements for each commodity over a single planting season or business cycle ("**Indicative Needs**") should be used as a reference by conventional and sharia banks ("**Banks**") and other financing institutions during the disbursement of agricultural business financing ("**Financing**"). As such, all Indicative Needs should be drafted in four phases (i.e. cultivation, harvest, post-harvest and processing) based on business units/planting areas. This Regulation also affirms that the aforementioned Indicative Needs should be prepared for the following subsectors: 1) Food crops; 2) Horticulture; 3) Plantations; and 4) Livestock.
- In order to secure Financing, relevant farmers and/or farmer-owned enterprises (collectively referred to as "**Farming Businesses**") should submit their applications to secure said Financing by first drafting agricultural business needs plans ("**Business Plans**") that are based on the aforementioned Indicative Needs. These Business Plans should only be submitted for the government credit or financing programs and should comprise the following elements: 1) Capital requirement plan (e.g. investment costs and/or working/operational capital costs); and 2) Repayment scheme.
- It should be noted that the above-outlined submission of Financing applications by relevant Farming Businesses to Banks and other financing institutions should be facilitated by the relevant provincial-, city- or regency-level agricultural offices. This facilitation should range from help with the drafting of the above-mentioned Business Plans to financial administration.

50. Regulation of the Minister of Agriculture No. 27 of 2025 on the Second Amendment to Regulation of the Minister of Agriculture No. 75/PERMENTAN/OT.140/11/2011 on the Product Certification Agency for the Agriculture Sector

Enforcement Date: 13 October 2025

Summary:

- In essence, the Second Amendment revises the location of the Certification Product Agency (*Lembaga Sertifikasi Produk* – "**LS-Pro**") for Agricultural Tools and Machinery, which will now be based at the Agency for the Assembly of Agricultural Machinery and Modernization. Previously, LS-Pro for Agricultural Tools and Machinery fell under the Directorate-General of Agricultural Facilities and Infrastructure.
- Moreover, the Second Amendment also addresses the LS-Pro for Livestock and Animal Health, which will be based at the Directorate-General of Livestock and Animal Health and which will cover the following products: 1) Livestock seeds and breeding stock; 2) Feed products and forage seeds; 3) Veterinary drugs; and 4) Food and non-food animal products. Previously, this LS-Pro only covered the products outlined in point (1) above.

51. Decree of the Minister of Forestry No. 657 of 2025 on Technical Guidelines for Food Agroforestry Within Social Forestry Areas

Enforcement Date: 15 October 2025

Summary:

- This Decree outlines a general framework for food agroforestry planning within social forestry areas through the application of agrisilviculture, silvopasture and silvofisheries models. The Decree also sets out various requirements relating to site suitability, the Social Forestry Management Plan (RKPS), facilitation and the institutional strengthening of Social Forestry Groups (*Kelompok Perhutanan Sosial* – "**KPS**")/Social Forestry Business Groups (*Kelompok Usaha Perhutanan Sosial* – "**KUPS**").
- The Decree regulates agrisilviculture, which is a model that combines woody plants with food crops in order to optimize land use. The Decree also addresses the silvopasture model, which involves the integration of tree cultivation into livestock farming in order to enhance land productivity within social forestry areas. However, all such livestock farming must comply with various animal welfare standards, thereby ensuring that all livestock remains free from hunger, thirst, fear and pain, and is also able to express natural behaviors. Meanwhile, silvofisheries encompass a land-use optimization model that combines mangrove or forest vegetation with aquaculture activities. This model distinguishes between silvofisheries that are set up in well-preserved mangrove ecosystems and those that are aimed at mangrove restoration.

- The Decree allows for food agroforestry products to be developed by KPS/KUPS in order to strengthen local food security and, whenever production exceeds local requirements, to contribute towards national food self-sufficiency. The new framework also sets out various mechanisms aimed at improving product quality and productivity through business partnerships, multi-party collaborations across the production chain, and Integrated Area Development (IAD) based on social forestry, thereby ensuring the existence of supporting industries, market targets and sustainable business models.

52. Decree of the Deputy for Animal Quarantine No. 161 of 2025 on Monitoring and Evaluation Standards for Other Places

Enforcement Date: 20 August 2025

Summary:

- The various monitoring and evaluation standards that apply to other places located outside quarantine installations ("**Standards**"), as outlined comprehensively under the Appendices to this Decree, will now serve as a reference for use by animal quarantine officers and auditors during the monitoring and evaluation of other places that are designated for the implementation of quarantine measures, supervision/control and investigations.
- Broadly speaking, the above-mentioned Standards break down as follows: 1) Preparation of monitoring activities (i.e. drafting of monitoring plans, inventorying of relevant other places, coordination with owners/persons in charge of other designated places regarding monitoring plans); and 2) Implementation of monitoring (i.e. time of implementation, place of implementation, executors, implementing procedures, monitoring of compliance with the technical requirements for other designated places for other carriers).

53. Decree of the Deputy for Animal Quarantine No. 162 of 2025 on Monitoring and Evaluation Standards for Animal Quarantine Installations

Enforcement Date: 20 August 2025

Summary:

- The various monitoring and evaluation standards that apply to animal quarantine installations ("**Standards**"), as outlined comprehensively under the Appendices to this Decree, will now serve as a reference for use by animal quarantine officers and auditors during the monitoring and evaluation of designated animal quarantine installations.

- Broadly speaking, the above-mentioned Standards break down as follows: 1) Preparation of monitoring activities (i.e. drafting of monitoring plans, inventorying of animal quarantine installations, coordination with owners/persons in charge of animal quarantine installations owned by other parties regarding monitoring plans); and 2) Implementation of monitoring (i.e. time of implementation, place of implementation, executors, implementing procedures).

54. Decree of the Head of the Indonesian Quarantine Agency No. 4719 of 2025 on the Designation of Entry and Exit Points for Carriers of Animal, Fish and Plant Quarantine Pests and Diseases

Enforcement Date: 3 October 2025

Summary:

- This Decree has now expanded the list of designated entry and exit points for carriers of animal, fish and plant quarantine pests and diseases, as further outlined under the Appendix to the Decree. Said list includes information on service locations (e.g. quarantine centers), regencies and cities, as well as relevant purposes, and covers 38 provinces, including the following: 1) The Central Papua Animal, Fish and Plant Quarantine Center, including Mozes Kilangin Airport, Mimika Regency; 2) The Highland Papua Animal, Fish and Plant Quarantine Center, including Wamena Airport, Jayawijaya; and 3) The South Papua Animal, Fish and Plant Quarantine Center, including Mopah Airport, Merauke.

Pharmacies, Health Industry, and Foods & Drugs Standards

55. Regulation of the National Agency of Drug and Food Control No. 25 of 2025 on Technical Requirements for Cosmetics Ingredients

Enforcement Date: 3 October 2025

Summary:

- This Regulation repeals and replaces Regulation of the National Agency of Drug and Food Control No. 23 of 2019 on Technical Requirements for Cosmetics Ingredients, as amended by Regulation No. 17 of 2022 (collectively referred to as "**Regulation 23/2019**"). While maintaining most of the provisions originally set out under Regulation 23/2019, this new

framework clarifies that the prohibition on the distribution of cosmetics products that contain certain substances not permitted for cosmetics use, as outlined under Appendix V to this Regulation, does not apply to accidental and unavoidable contaminants that originate through processing, storage and/or from raw materials, provided that good manufacturing practices for cosmetics products have been implemented.

- The Regulation has also revised the detailed lists of regulated cosmetics substances that previously featured under Regulation 23/2019, as follows: 1) The list of permitted cosmetics substances with use restrictions has been expanded from 218 to 222 entries; 2) The list of permitted preservatives has been reduced from 57 to 54 entries; 3) The list of sunscreen ingredients used in cosmetics products has been expanded from 32 to 35 entries; and 4) The list of prohibited cosmetics substances has been expanded from 1,606 to 1,706 entries.
- Moreover, the Regulation has now expanded the scope of the various administrative sanctions that are applicable in response to any non-compliance from the sanctions originally set out under the framework of Regulation 23/2019. In this regard, business actors may now be subject to the revocation of their Good Cosmetics Manufacturing Practices (*Cara Pembuatan Kosmetika yang Baik*/CPKB) certification.

56. Regulation of the National Agency of Drug and Food Control No. 26 of 2025 on Risk Assessments for the Use of Raw Materials in Natural Medicines, Health Supplements, Quasi Drugs and Certain Cosmetics Preparations

Enforcement Date: 3 October 2025

Summary:

- This Regulation stipulates that all raw materials that are used in natural medicines, health supplements, quasi drugs and certain cosmetics preparations (collectively referred to as "**Products**") must meet certain standards and/or quality requirements that apply to pharmaceutical raw materials and that are based on risk assessments. Said risk assessments must be conducted in accordance with the official risk assessment guidelines for the use of Products ("**Guidelines**"), which serve as a reference for use by the following parties: 1) Business actors, in order to ensure compliance with the required standards and/or quality requirements during registrations or notifications, including throughout product distribution; and 2) The National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan* – "**BPOM**"), in order to ensure that certain Products, either before and/or during distribution, comply with the established standards and/or quality requirements.
- Furthermore, the Appendix to the Regulation outlines the risk assessment process that should be implemented in relation to raw materials used in certain preparations (*sediaan tertentu*). Said process breaks down into the following steps: 1) Hazard identification, which should be conducted

scientifically in order to identify any substances or situations that have the potential to lead to adverse health effects; 2) Hazard characterization, which involves determinations of toxicological reference values that are used to assess risks based on human and animal toxicity data; 3) Exposure assessment, which involves the collection of data in order to determine sources, routes, concentrations, frequencies and durations of exposure among the affected population; and 4) Risk characterization, which involves qualitative and/or quantitative assessments that should include uncertainty factors relating to potential health effects based on hazard identification, hazard characterization and exposure assessments.

57. Regulation of the National Agency of Drug and Food Control No. 27 of 2025 on Business Activity and Product Standards for the Implementation of Risk-Based Business Licensing Within the Food and Drug Sector

Enforcement Date: 3 October 2025

Summary:

- While retaining the core provisions originally set out framework of Regulation of the National Agency of Drug and Food Control No. 10 of 2021 on Business Activity and Product Standards for the Implementation of Risk-Based Business Licensing Within the Food and Drug Sector ("**Regulation 10/2021**"), this Regulation has now simplified various arrangements relating to business activities and product standards under its Appendix when compared to Regulation 10/2021. Accordingly, several standards have now been broken down by type, which apply to multiple Indonesian Standard Industrial Classifications (*Klasifikasi Baku Lapangan Usaha Indonesia* - "**KBLI**").
- This Regulation also provides information on verification and compliance requirements for the various standards that are specified under the Appendix to this Regulation. For example, the verification requirements for a new drug license standard under KBLI 21012 include pre-registration verification for emergency use authorization within six hours and pre-registration within forty days for new applications.

58. Regulation of the National Food Agency No. 10 of 2025 on Product Standards for Risk-Based Business Licensing Within the Fresh Food Subsector

Enforcement Date: 7 October 2025

Summary:

- In essence, fresh food subject to the enforcement of Risk-Based Business Licensing (*Perizinan Berusaha Berbasis Risiko*/PBBR) within the fresh food subsector refers to food deriving from plants that has not undergone any processing and which can be consumed directly and/or used as raw materials for food processing (*Pangan Segar Asal Tumbuhan* - "**PSAT**").
- All individuals who produce, store, distribute and/or circulate PSAT are required to ensure the safety and quality of their fresh food. In this regard, this new Regulation affirms that the safety and quality of PSAT should be proven through the securing of Business Licenses to Support Business Activities (*Perizinan Berusaha untuk Menunjang Kegiatan Usaha* – "**PB UMKU**"), which include operational and/or commercial documented support for business activities that comprise the following forms: 1) Facilities for the handling of fresh food (i.e. Certificate of Good Handling Practices for PSAT); 2) Distribution of fresh food (i.e. distribution permits and mandatory registrations); and 3) Safety assurance for exported fresh food products (e.g. health certificates and packing house permits).
- However, in addition to the above-outlined PB UMKU, this Regulation also affirms that parties who produce PSAT may also secure other types of certification. These other types of certification include: 1) Prime certification; 2) Good agricultural practices certification; 3) Organic certification; or 4) Indonesian National Standard (*Standar Nasional Indonesia*/SNI) certification.
- It should be noted that any parties that violate the above-outlined mandatory PB UMKU requirements will be subject to the imposition of administrative sanctions that may take the following forms: 1) Written reprimands; 2) Temporary suspension of business activities; 3) Imposition of administrative fines; 4) Enforcement of coercive measures; and/or 5) Revocation of issued PB UMKU.

59. Circular of the Director-General of Disease Control No. HK.02.02/C.I/4202/2025 of 2025 on the Accelerated Issuance of Hygiene and Sanitation Certification to Nutritional Fulfillment Service Units Through the Free Nutritional Meal Program

Enforcement Date: 1 October 2025

Summary:

- The Circular will serve as a set of guidelines for use by the Heads of Provincial Health Offices, Heads of Regency/City Health Offices, Heads of Nutritional Fulfillment Service Offices and Heads of Nutritional Fulfillment Service Units (*Satuan Pelayanan Pemenuhan Gizi* – "**SPPG**") located across Indonesia in order to expedite the issuance of Hygiene and Sanitation Certification (*Sertifikat Laik Higiene Sanitasi* – "**SLHS**"). The objective is to control critical contamination points and to guarantee that all ready-to-eat processed foods that are currently being managed by SPPG adhere to a set of hygiene and sanitation standards.

- This Circular states that every SPPG must secure a valid SLHS. Moreover, any SPPG that were already operational prior to the issuance of this Circular but that have not yet secured SLHS must acquire said certification within a maximum period of one month from the date of issuance of the Circular. SLHS are issued by district/city local governments acting through the local health offices or other designated agencies. The issuance process involves: 1) Submission of an application along with the necessary documentation; 2) Verification and inspection; 3) Submission of satisfactory food sample testing results; and 4) Issuance of SLHS within a maximum period of 14 days after the SPPG application and required documents have been declared complete and satisfactory.

60. Decree of the Chief Secretary of the National Agency of Drug and Food Control No. HK.02.02.2.08.25.100 of 2025 on Technical Guidelines for the Implementation of the Integrated Drug and Food Monitoring Management System

Enforcement Date: 12 August 2025

Summary:

- This Decree establishes the technical framework for the implementation of a new Integrated Management System ("**IMS**") at the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan* – "**BPOM**"). The IMS is being introduced in order to enhance service quality and customer satisfaction based on principles of risk management and quality management. The implementation of IMS will be mandatory across all work units, including central offices and Technical Implementation Units (*Unit Pelaksana Teknis*/UPT), and is binding on all BPOM personnel.
- The Decree further distinguishes between mandatory and selective certification/accreditation. Mandatory certification refers to accreditation of Laboratory Management Systems, specifically in line with SNI ISO/IEC 17025 (General Competence Requirements for Testing and Calibration Laboratories) and is mandatory across all BPOM laboratories. Additionally, selective certification will be carried out in order to ensure effectiveness after the implementation of several preparatory steps, including urgency, utility and cost reviews, as well as the completion of at least one internal audit and one management review.

61. Decree of the Minister of Health No. HK.01.07/MENKES/972/2025 of 2025 on Guidelines for the Distribution and Dispensing of Over-the-Counter Drugs and Limited Over-the-Counter Drugs Through Hypermarkets, Supermarkets and Minimarkets

Enforcement Date: 16 October 2025

Summary:

- This Decree permits hypermarkets, supermarkets and minimarkets to distribute Over-The-Counter ("**OTC**") and limited OTC drugs through licensed distribution centers or in cooperation with drugstores. Distribution centers must secure Pharmaceutical Wholesaler Business Licenses and must also comply with standards for Good Distribution Practices for Drugs, while cooperation with drugstores must include clear provisions on supervision, responsibilities, reporting and payment mechanisms. Both types of entities are required to report their networks to relevant authorities in order to ensure proper traceability and regulatory oversight.
- OTC and limited OTC drugs may only be dispensed in the smallest packaging units, while dispensing has been limited to a three-day supply, with clear information being stated on the relevant packaging. Meanwhile, the sale of any drugs containing pharmaceutical precursors has been restricted to individuals aged 18 years of age and above. The Decree also strictly prohibits compounding, repackaging, resale and the dispensing of any expired or damaged products, as well as the sale of prescription drugs, narcotics or psychotropic drugs through retail outlets.
- In order to uphold the safety, efficacy and quality of OTC and limited OTC drugs that are distributed through retail networks, the Decree emphasizes the need for continuous capacity building among supporting healthcare personnel. In this regard, retail owners are encouraged to facilitate participation in relevant training sessions, workshops and other educational activities in order to ensure that all personnel that work in dispensing are equipped with the knowledge and skills necessary to maintain regulatory compliance and public health standards.

62. Draft Regulation of the National Agency of Drug and Food Control on the Supervision of the Management of Drugs, Drug Ingredients, Narcotics, Psychotropics and Pharmaceutical Precursors at Pharmaceutical Service Facilities and Other Facilities

Enforcement Date: -

Summary:

- In addition to pharmaceutical service facilities ("**Pharmaceutical Facilities**"), which are currently allowed to manage drugs, drug ingredients, narcotics, psychotropics and pharmaceutical precursors (collectively referred to as "**Drug Products**"), this Draft Regulation now permits other non-Pharmaceutical Facilities ("**Other Facilities**") to also provide drugs and pharmaceutical precursors. Moreover, the Draft Regulation also no longer includes drug stores (*toko obat*) on the list of facilities that fall under the definition of Pharmaceutical Facilities.
- The Draft Regulation affirms that the management of Drug Products by Other Facilities is limited to over-the-counter drugs (*obat bebas*), limited over-the-counter drugs (*obat bebas terbatas*) and drugs containing

pharmaceutical precursors that are classified as limited over-the-counter drugs only. Furthermore, the seven activities defined as Drug Product management activities continue to feature under this new framework, while the Draft Regulation has now added compounding (*peracikan*) activities to this list.

- The Draft Regulation also newly lists several prohibitions that apply to Pharmaceutical Facilities and Other Facilities during the overall management of Drug Products, including prohibitions on the procurement and distribution of Drug Products that fail to meet safety, efficacy and/or quality requirements. Ultimately, any Pharmaceutical Facilities and/or Other Facilities that violate any obligations related to the management of Drug Products, including the aforementioned prohibitions, will be subject to an updated list of administrative sanctions under the Draft Regulation.

63. Draft Regulation of the National Agency of Drug and Food Control on Good Manufacturing Practice for Excipients Used During Drug Manufacturing

Enforcement Date: -

Summary:

- This Draft Regulation establishes that excipients must meet certain standards and be of a certain quality in order to protect the health of the general public from contaminated substances. The new framework outlines a set of mandatory Good Manufacturing Practices ("**GMP**") for excipients, detailing requirements across 12 specific areas, including quality management systems, personnel, facilities, equipment, production, storage and distribution. The new Draft Regulation also specifies that certification or equivalent documentation must be secured in order to prove compliance, whilst also outlining the various types of administrative sanctions that are available for non-compliance.
- The GMP standard must be used as a reference by all facilities that engage in excipient manufacturing and pharmaceutical industries (*Industri Farmasi*) that utilize excipients during the manufacture of drug products. In this regard, the GMP standard is particularly important during the sourcing of qualified suppliers, as well as for pharmaceutical wholesale distributors that engage in the re-packaging and/or re-labeling of excipients. In this regard, excipient manufacturing facilities must prove compliance with the GMP standards through certification. If said certification is unavailable, then compliance may instead be proven through equivalent documents issued by local or foreign drug regulatory authorities, such as recent inspection documents, provided the relevant local authorities do not automatically issue certification to all manufacturers.
- Any failure to implement the GMP standard may result in the imposition of administrative sanctions by the Head of the National Agency of Drug and Food Control. Said sanctions may include: 1) Written reprimands; 2) Severe warnings; 3) Temporary halting of activities; 4) Suspension or revocation of

certification; Suspension or revocation of business licenses; 5) Temporary prohibition on the distribution of excipients and/or mandatory recalls of excipients; and/or 6) Temporary closure of access for submissions of business permit applications.

64. Draft Regulation of the National Agency of Drug and Food Control on the Amendment to Regulation of the National Agency of Drug and Food Control No. 13 of 2019 on Maximum Limits for Microbial Contamination in Processed Foods

Enforcement Date: -

Summary:

- This Draft Regulation introduces a number of revisions to the microbiological criteria that apply to certain processed foods categories, including: 1) Flavored powdered drinks (containing milk, creamer or chocolate) within food category 14.1.4.3 (Concentrates for Flavoured Water-Based Drinks). The new criteria establish limits for ALT (M = 5 x 10^3 koloni/g), mould and yeast (M = 5 x 10^2 koloni/g), as well as requirements for salmonella (negative/25 g); and 2) Tea products within food category 14.1.5 (Coffee, Tea, Herbal Infusions, etc.), which include: i) Dry tea and powdered tea (including various types like black, green, white, oolong and scented tea) with revised criteria limits for ALT (M = 10^6 koloni/g) and mould and yeast (M = 10^4 koloni/g); and ii) Tea bags (various types) with revised criteria limits for ALT (M = 10^6 koloni/g) and mould and yeast (M = 5 x 10^4 koloni/g).
- In addition, the Draft Regulation introduces a number of additional processed food types, specifically: 1) Ready-to-eat processed flour/starch (*olahan tepung/pati siap konsumsi*) have been included under food category 06.4.3 (Pasta and Pre-Cooked Noodles and Similar Products); and 2) Sausages and meatballs processed through pasteurization have been included under food category 08.3.2 (Meat, Poultry and Game Meat, Minced and Processed Through Heat Treatment).

65. Draft Regulation of the National Agency of Drug and Food Control on the Certification of Good Manufacturing Practices for Natural Medicines

Enforcement Date: -

Summary:

- Distribution permits must be secured for all products that are circulated within Indonesia and that are manufactured by Natural Medicine Manufacturers (*Industri Obat Bahan Alam* – "**IOBA**"), Natural Extract

Manufacturers (*Industri Ekstrak Bahan Alam* – "**IEBA**"), Small-Scale Natural Medicine Businesses (*Usaha Kecil Obat Bahan Alam* – "**UKOBA**") and Micro-Scale Natural Medicine Businesses (*Usaha Mikro Obat Bahan Alam* – "**UMOBA**"). Said parties must also implement Good Manufacturing Practices for Natural Medicines (*Cara Pembuatan Obat Bahan Alam yang Baik* – "**CPOBAB**") during all of their manufacturing activities. CPOBAB implementation must be proven through the securing of CPOBAB certification.

- The Draft Regulation specifies two main types of certification: 1) CPOBAB Certificates, as issued by the Head of the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan* - "**BPOM**") to IOBA, IEBA or UKOBA that comply with all CPOBAB aspects and which have a validity of five years; or 2) Certificates of Phased Fulfillment of CPOBAB Aspects, as issued by the Head of BPOM to UKOBA or UMOBA that meet the technical guidelines for phased CPOBAB implementation and which have a validity of three years per stage. The process involved in the securing of CPOBAB certification generally breaks down into registration of an online account; followed by submission of an application for new certification, extension or change; verification and payment; and finally the issuance of the relevant certificate.
- Certificate holders (IOBA, IEBA, UKOBA or UMOBA) may apply for the revocation of their certification, which is mandatory if operational manufacturing activities are permanently halted. Following any such revocation, the entity in question must recall and destroy all of their natural medicines, quasi-medicines, health supplements and/or extracts that are in circulation. It should be noted that any violations of the provisions set out under this Draft Circular will result in the imposition of administrative sanctions ranging from written reprimands to temporary suspensions of activities to the issuance of product destruction orders.

66. Draft Regulation of the National Agency of Drug and Food Control on the Organization of Food Safety Training

Enforcement Date: -

Summary:

- The Draft Regulation features a number of provisions that specifically address food safety training, which can be organized by work units tasked with the development of human resources for drug and food supervision, as well as central work units of the National Food and Drug Control Agency (*Badan Pengawas Obat dan Makanan* – "**BPOM**"), technical implementation units and training institutions. Training can be organized through the application of one of three methods, specifically: 1) The classical method, which involves full face-to-face training (either online or offline); 2) The blended learning method, which involves a combination of classical and non-classical learning; or 3) The work-integrated learning method, which is conducted without any face-to-face sessions and which

involves processes of self-learning and/or assignments that directly relate to the relevant job duties, with input being provided by field facilitators.
- Participants are required to comply with a code of conduct set by the Head of BPOM. Sanctions for violations of this code of conduct include verbal warnings, written reprimands or dismissal from training. In this regard, any participants who are dismissed will be categorized as having failed the training. Additionally, graduation is determined through final assessments that will cover academic achievements (assignment scores) and attitude/behavior scores. In order to pass a given program, participants must: 1) Obtain a minimum score of 80 on every assignment; 2) Not engage in any acts of plagiarism whenever completing training tasks; and 3) Have a participation rate that exceeds 80% of the total mandatory learning hours.
- Successful participants will be issued a graduation certificate signed by the leader of the relevant training organizer, while participants who do not pass the program will receive a certificate of attendance.

67. Draft Regulation of the National Agency of Drug and Food Control on the Certification of Good Manufacturing Practices and Good Distribution Practices

Enforcement Date: -

Summary:

- The securing of Certification of Good Drug Manufacturing Practices (*Cara Pembuatan Obat yang Baik* – "**CPOB**") is mandatory for any business actors who are involved in the manufacture of drugs and/or drug substances, including pharmaceutical manufacturers, as well as certain other types of institutions and facilities, including facilities that manufacture drugs for use in clinical trials. Compliance with CPOB standards is proven through possession of CPOB certification issued by the Head of the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan* – "**BPOM**"). Certification is issued for each building unit in accordance with the relevant dosage form (*bentuk sediaan*) and manufacturing process (full or partial stages).
- Additionally, the securing of Certification of Good Drug Distribution Practices (*Cara Distribusi Obat yang Baik* – "**CDOB**") is mandatory for business actors and pharmaceutical management facilities that engage in the procurement, storage and distribution of drugs, including pharmaceutical wholesalers (*Pedagang Besar Farmasi* – "**PBF**"), PBF branches and organizers of electronic systems/organizers of electronic trading systems (PSE/PPMSE) for drug distribution. CDOB certificates are granted based on the relevant product categories (e.g. narcotics, cold chain, drug substances) and activities (e.g. storage, repackaging, operation of electronic systems).

68. Draft Regulation of the National Agency of Drug and Food Control on Food Packaging

Enforcement Date: -

Summary:

- This Draft Regulation establishes a general set of provisions and technical standards, in the process defining critical components such as food, food packaging, food packaging materials, food contact substances and the potential hazard known as migration, which refers to the process of packaging substances being transferred to actual food products. The Draft Regulation further mandates that any individuals who produce packaged foods must utilize food packaging materials that do not endanger human health in any way. Said packaging types and migration limits for food packaging materials include plastic, rubber and elastomers, paper and cardboard, ceramics, glass, metal and metal alloys, and multilayers.
- Any materials that come into direct contact with any food products must meet the relevant migration limit requirements, which are categorized as follows: 1) Total migration: the total result of the transfer of all substances from the packaging, without distinguishing whether the substance in question is harmful or not; and/or 2) Specific migration: the result of the transfer of specific substances contained within the packaging that are known to be hazardous to health. Compliance with these safety requirements is verified through rigorous migration testing, which utilizes specific food simulants and defined time-temperature exposure conditions that have been designed to replicate a number of worst-case usage scenarios.
- The Draft Regulation also mandates that any novel food packaging materials or food contact substances that are not explicitly detailed under its framework will require written approvals to be secured from the Head of the National Agency of Drug and Food Control (*Badan Pengawas Obat dan Makanan*/BPOM) following the completion of comprehensive safety assessments (*pengkajian keamanan*). When this new framework is ultimately enforced, then all circulating food packaging will be subject to a full compliance transition period of five years from the date upon which the Draft Regulation is enacted.

Profession

69. Regulation of the Minister of Creative Economy/Head of the Creative Economy Agency No. 6 of 2025 on Intellectual Property Appraisers

Enforcement Date: 26 September 2025

Summary:

- Intellectual property appraisers ("**Appraisers**") should register through the application of cost, market, income or other valuation approaches. Appraisers must secure licenses from the Ministry of Finance, must demonstrate competence within the field of intellectual property valuation and must register with the Ministry of Creative Economy ("**Ministry**"). Panels should be formed by banks or financial institutions for valuations that are not handled by Appraisers. Public Appraisers may apply by submitting their license, association membership, training certification and other required documents.
- Appraisers are entitled to provide valuation services and receive fair compensation in return. Appraisers must meet various obligations, including the filing of annual reports, the maintaining of confidentiality and the reporting of any changes that are made to their qualifications. In order to ensure quality, Appraisers are fostered, supervised and evaluated by a special team through processes which involve reports, electronic data and inputs from related agencies, professional associations and the general public.
- Appraisers may be temporarily, honourably or dishonourably dismissed. Temporary dismissals may be initiated for certain reasons, including guardianship, unfulfilled obligations or license suspensions. Honourable dismissals may be initiated in cases of death, resignation or incapacity. Meanwhile, dishonourable dismissals may be initiated in response to breaches of the integrity pact, license revocations or prison terms of at least five years. If a dismissal is initiated, then an official Dismissal Decree will be issued within thirty days, after which the name of the relevant Appraiser will be removed from the official Ministry list.

Tax & Non-Tax Charges

70. Regulation of the Government No. 44 of 2025 on Procedures for Determinations of Tariffs, Management and Settlements of Objections, and Relief for and Refunds of Non-Tax State Revenue

Enforcement Date: 19 September 2025

Summary:

- This Regulation has now repealed and replaced Regulation of the Government No. 58 of 2020, Regulation of the Government No. 59 of 2020 and Regulation of the Government No. 69 of 2020, which collectively governed management, objections, relief and refunds relating to Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* – "**PNBP**"), as well as determinations of tariffs for various types of PNBP.

This Regulation designates the Minister of Finance as the fiscal manager and the heads of PNBP-managing agencies (i.e. ministries/institutions and the Ministry of Finance) as PNBP managers. PNBP management comprises the following phases: 1) Planning; 2) Implementation (i.e. determination, collection, payment, deposits and receivables management, as well as monitoring and verification); 3) Accountability (bookkeeping, reporting and accountability); 4) Supervision and follow-ups to supervisory findings; 5) Performance assessments; and 6) Management by the State General Treasurer.

- Furthermore, this Regulation also sets out procedures for the establishment of specific and/or ad valorem tariffs on various types of PNBP. Objects of PNBP by category include the utilization of natural resources, services, the management of separated state assets, the management of state-owned goods, fund management and other state rights. Under certain considerations, tariffs for certain types of PNBP may be set as low as Rp. 0 or 0%, subject to prior approval first being secured from the Minister of Finance as fiscal manager.
- It is important to note that taxpayers may file objections if they believe that there are any discrepancies between the amounts of PNBP calculated by said taxpayers and the amounts determined in the relevant PNBP Assessment Letters.
- Taxpayers may also apply for leniency in relation to any outstanding PNBP in the form of deferrals, payment in instalments, reductions and/or exemptions under the following conditions: 1) Circumstances beyond the taxpayer's control or force-majeure events; 2) Liquidity difficulties; and/or 3) Government policy. Additionally, taxpayers may request the refunding of overpaid PNBP under the following conditions: 1) PNBP payment errors; 2) PNBP collection errors; 3) Decisions on PNBP objections; 4) Final and binding court rulings; 5) PNBP examination results; or 6) Unilaterally unfulfilled services.

71. Regulation of the Government No. 45 of 2024 on the Amendment to Regulation of the Government No. 24 of 2021 on Procedures for the Imposition of Administrative Sanctions and Procedures for the Processing of Non-Tax State Revenue Originating from Administrative Fines Within the Forestry Sector

Enforcement Date: 19 September 2025

Summary:

- This new Amendment retains the various forms of administrative sanctions that can be imposed upon any entities that engage in palm-oil plantation business activities and/or mining, plantation and/or other activities, and that violate the obligation to secure official forestry permits (e.g. temporary suspension of business activities, administrative fines, revocation of permits and/or government-compelled action). However, the Amendment has now clarified that, in addition to said administrative sanctions, relevant violators

may also be subject to reacquisition measures (i.e. actions that are taken by the government in order to safeguard and regulate control over forested areas).

- Newly featured under the Amendment, any violators who have completed payments of their administrative fines will be subject to the aforementioned reacquisitions by the Forest Area Control Task Force ("**Task Force**"). Reacquisition measures will be followed up by releases of the relevant forested areas and/or designation of said forested areas as state-owned assets. Moreover, all forested areas that are subject to reacquisitions will subsequently be managed by appointed state-owned enterprises (*Badan Usaha Milik Negara*/BUMN), which will then carry out business activities within the plantation, mining and/or other sectors in line with prevailing Laws and Regulations.
- It should also be noted that the Amendment newly clarifies that the applicable administrative fines for mining activities, non-palm oil plantation activities and/or other activities will be determined by the ministers responsible for the relevant government sectors.

72. Regulation of the Minister of Finance No. 67 of 2025 on the Imposition of Safeguard Import Duties upon Imports of Cotton Yarn Products

Enforcement Date: 30 October 2025

Summary:

- Safeguard Import Duty (*Bea Masuk Tindakan Pengamanan* - "**BMTP**") will now be imposed upon imports of certain cotton yarn products ("**Products**") from all countries for a three-year imposition period. The Products subject to BMTP include Products that fall under 27 tariff posts, including: 1) 5204.11.10; 2) 5204.19.00; 3) 5204.20.00; 4) 5205.11.00; and 5) 5205.12.00.
- In terms of the above-mentioned three-year imposition period, this new framework has set applicable BMTP rates for the following periods: 1) First year (after this Regulation comes into force): BMTP rate of Rp. 7,500/kg; 2) Second year (after the first-year period has elapsed): BMTP rate of Rp. 7,388/kg; and 3) Third year (after the second-year period has elapsed): BMTP rate of Rp. 7,277 /kg.
- It should be noted that the above-mentioned BMTP will be imposed in addition to general import duty (*most favoured nation*) or preferential import duty based on international agreements or treaties that are already in place.

73. Regulation of the Minister of Finance No. 68 of 2025 on the Amendment to Regulation of the Minister of Finance No. 38 of 2024 on the Stipulation of Export Goods Subject to Export Duty and Export-Duty Tariffs

Enforcement Date: 22 October 2025

Summary:

- While retaining the five products originally subject to export duty under Regulation of the Minister of Finance No. 38 of 2024 (e.g. bark and wood, cocoa beans, palm oil and so forth), the Amendment now includes pine resin on the official list of products. In this regard, the Amendment newly stipulates the amount of export duty that will be levied on pine resin, as listed under Appendix G to this Amendment.
- Moreover, the Amendment also revises the list of Refined, Bleached and Deodorized (RBD) Palm Olein brands in packaged form that are subject to export duty, as stipulated by the Minister of Trade, which are now listed in Group V, No. 25 under Appendix C, a change from the previous listing under No. 23.

74. Regulation of the Minister of Finance No. 69 of 2025 on Service Tariffs at the Public Service Agency of the Plantation Fund Management Agency under the Ministry of Finance

Enforcement Date: 22 October 2025

Summary:

- This Regulation repeals and replaces Regulation of the Minister of Finance No. 30 of 2025, which bore the same title as this new framework. In this regard, the new Regulation stipulates a set of service tariffs that will apply at the Plantation Fund Management Agency (*Badan Pengelola Dana Perkebunan* – "**BPDP**") in the form of plantation fund levies on exports of palm oil, Crude Palm Oil ("**CPO**") and/or its derivative products, as well as cocoa beans.
- The levy on exports of palm oil, CPO and/or its derivative products will be determined based on the CPO reference price and is listed under Appendix A to this Regulation. Meanwhile, export goods in the form of mixed products derived from CPO and/or its derivative products are addressed under Appendix B to this Regulation. Furthermore, the plantation fund levy on cocoa bean exports refers to the cocoa bean reference price and is calculated using the following formula: Export Levy (*Pungutan Ekspor* – "**PE**") on cocoa beans = PE tariff × export price × quantity of goods × exchange rate. The applicable levy tariffs are listed under Appendix C to this Regulation.
- It is important to note that the BPDP service tariffs will apply to the following parties: 1) Plantation business actors who export plantation commodities and/or their derivatives; 2) Industrial business actors that utilize plantation-based raw materials; and 3) Exporters of plantation commodities and/or their derivative products. Finally, tariffs should be settled in the rupiah currency at the exchange rate applicable at the time of payment.

75. Regulation of the Minister of Finance No. 71 of 2025 on Value-Added Tax on the Provision of Scheduled, Economy-Class, Domestic, Commercial Air Transportation Services During the Christmas and New Year Holiday Period Borne by the Government for the 2026 Fiscal Year

Enforcement Date: 15 October 2025

Summary:

- This Regulation stipulates that Value-Added Tax (*Pajak Pertambahan Nilai* – "**PPN**") on the provision of scheduled, economy-class, domestic, commercial air transportation services is to be partially borne by the government for tickets that are purchased during the 22 October 2025 - 10 January 2026 period for flights that will be completed during the 22 December 2025 - 10 January 2026 period. Under this framework, service recipients will only be required to settle 5% of the payable PPN, while the remaining 6% will be borne by the government for the 2026 fiscal year. Compensation in this regard encompasses base fare, fuel surcharge and other charges paid by service recipients that constitute PPN objects for services that are provided by air transportation business entities as Taxable Entrepreneurs (*Pengusaha Kena Pajak* – "**PKP**").
- This Regulation also requires PKP to issue tax invoices or specific documents that are deemed the equivalent of tax invoices and to submit Periodic PPN Tax Returns. As part of the reporting regime for government-borne PPN, PKP are also required to draw up a detailed list of transactions that involve government-borne PPN in relation to the provision of scheduled, economy-class, domestic, commercial air transportation services by no later than 30 April 2026.
- It is also important to note that PPN will not be borne by the government in the following circumstances: 1) Services are provided outside the above-outlined ticket purchase and flight periods; 2) Non-economy class flights; or 3) The PKP submits a detailed list of transactions with government-borne PPN for the provision of services that is not in accordance with the prescribed timeframe.

76. Regulation of the Director-General of Taxes No. PER-17/PJ/2025 on the Stipulation of Registered Locations for Taxpayers, Individuals and Entities at Large, Special and Intermediate Tax Service Offices

Enforcement Date: 1 September 2025

Summary:

- This Regulation authorizes the Director-General of Taxes ("**Director-General**") to designate registered locations for the following parties at large,

special and intermediate (*madya*) tax service offices: 1) Certain taxpayers; 2) Individuals and entities that do not meet the subjective requirements that apply to domestic tax subjects; and 3) Individuals and entities that are not considered tax subjects in accordance with the provisions of Article 3 of the Income Tax Law. Meanwhile, any designation of locations should take into account a number of criteria, which include: 1) Business turnover; 2) Income amount; 3) Tax payment amounts; 4) Value of assets, liabilities and equity; and 5) Location of domicile and/or place of business activity.

- Any taxpayers, individuals and entities that meet the above-listed criteria but that have not been designated an office by the Director-General should register with the Primary Tax Office (*Kantor Pelayanan Pajak Pratama*) that has a working area that covers their actual place of residence or place of domicile. However, certain taxpayers have been exempted from this registration mandate, including: 1) Taxpayers operating within the oil-and-gas sector in line with certain business classifications (e.g. crude oil mining, natural gas mining and geothermal energy operations) that act as contractors or holders of mining permits, who should register with the oil-and-gas tax office instead; 2) International entity taxpayers who are income-tax subjects, who should register with the foreign corporate and individual tax office; 3) Individuals or entities that do not meet the subjective requirements for domestic tax subjects, including businesses that engage in trading activities via Electronic Systems (*Perdagangan Melalui Sistem Elektronik* - "**PMSE**") (e.g. foreign merchants, service providers and organizers of foreign PMSE), who should register with the foreign corporate and individual tax office.

77. Regulation of the Director-General of Taxes No. PER-18/PJ/2025 on Follow-up Measures to the Receipt of Concrete Data

Enforcement Date: 24 September 2025

Summary:

- Any concrete data ("**Data**") that are received by the Directorate-General of Taxes ("**Directorate-General**") will be followed up by supervision and/or specific examination measures that are in line with relevant regulatory frameworks relating to taxation examinations.
- The aforementioned Data comprise Data that require simple verification processes. Overall, said Data encompass the following: 1) Tax invoices that have been approved through the Information System of the Directorate-General but that have not yet been reported or were not reported by the relevant taxpayers as a part of their periodic tax returns for Value-Added Tax (*Pajak Pertambahan Nilai*/PPN); 2) Evidence of withholding or collection of Income Tax (*Pajak Penghasilan* – "**PPh**") that has not yet been reported or was not reported by the issuer of the withholding or collection document as a part of their periodic tax returns for PPh; and/or 3) Transaction evidence or tax data that can be used to calculate the tax obligations of the taxpayers in question.

78. **Regulation of the Director-General of Customs and Excise No. PER-10/BC/2025 on the Third Amendment to Regulation of the Director-General of Customs and Excise No. PER-24/BC/2018 on Procedures for Excise Tax Payments**

Enforcement Date: 29 August 2025

Summary:

- This Regulation now clarifies that the submission of Tobacco Excise Stamp Supply Application Document (*Dokumen Permohonan Penyediaan Pita Cukai Hasil Tembakau* – "**P3C**") applications by factory entrepreneurs (*pengusaha pabrik*) may be subject to restrictions based on processes of risk management that are initiated through the Centralized Excise Application System (*Sistem Aplikasi Cukai Sentralisasi* – "**SAC-S**"). Said restrictions will take the following factors into account: 1) Company risk profile; 2) Production capacity; 3) Records of violations related to the misuse of excise bands; and/or 4) Results of analysis and/or inspection of the relevant factory entrepreneur.
- If the aforementioned new provisions have not yet been fully implemented, then the P3C restrictions will be implemented in line with Regulation of the Director-General of Customs and Excise No. PER-9/BC/2024 on the Second Amendment to Regulation of the Director-General of Customs and Excise No. PER-24/BC/2018 on Procedures for Excise Tax Payments.

Technology, Media, and Telecommunication

79. **Regulation of the Minister of Communications and Digital Affairs No. 15 of 2025 on Business Activity Standards and Product/Service Standards for the Organization of Risk-Based Business Licensing Within the Postal, Telecommunications and Broadcasting Sector, and the Electronic Systems and Transactions Sector**

Enforcement Date: 22 October 2025

Summary:

- The enforcement of this new framework has resulted in the repeal and replacement of Regulation of the Minister of Communication and Informatics No. 3 of 2021 ("**Regulation 3/2021**"), which set out the previously applicable standards for business activities and

products/services within the postal and telecommunications sector, as well as the electronic systems and transactions sector ("**Business Standards**"). In comparison with this revoked framework, the new Regulation has now incorporated various broadcasting-related services onto the list of Business Standards that were originally outlined under the framework of Regulation 3/2021 and has also expanded the scope of businesses subject to the Business Standards to a total of 23 types of business activities that have been classified into two main sectors. Regulation 3/2021 previously only outlined a total of eight Business Standards.

80. Draft Bill on Cybersecurity and Defense

Enforcement Date: -

Summary:

- The latest version of this Draft Bill (dated October 2025) continues to classify Products with Digital Elements (*Produk dengan Elemen Digital* – "**PDED**") into three categories of risk, specifically low, medium and high risk. However, the Draft Bill now states that low-risk PDED only requires the completion of self-assessments, while relevant product certification must be secured for all medium- and high-risk PDED. In terms of any parties that organize Critical Information Infrastructure (*Infrastruktur Informasi Kritikal*/IIK) specifically, medium- and high-risk PDED must pass an external assessment process, as organized by the government institution tasked with Cybersecurity and Defense (*Keamanan dan Ketahanan Siber* – "**KKS**") functions.
- In addition, the Draft Bill mandates that any parties that provide PDED must register with the National KKS Institution. Said parties are also obliged to carry out certain measures, including documentation and disclosure of all product vulnerabilities, the provision of security updates, the completion of periodic audits and the implementation of a coordinated vulnerability disclosure policy.
- Ultimately, the Draft Bill states that investigations of any KKS-related criminal acts should be carried out by the Indonesian National Police Force (*Kepolisian Republik Indonesia*/POLRI), specific Civil Servant Investigators (*Penyidik Pegawai Negeri Sipil* – "**PPNS**") from the Ministry of Communication and Digital Affairs, PPNS from the National KKS Institution and PPNS from the Indonesian National Armed Forces (*Tentara Nasional Indonesia*/TNI).

Trade

81. Regulation of the Ministry of Trade No. 37 of 2025 on the Amendment to Regulation of the Ministry of Trade No. 16 of 2025 on Import Policies and Regulations

Enforcement Date: 5 November 2025

Summary:

- Regulation of the Ministry of Trade No. 37 of 2025 on the Amendment to Regulation of the Ministry of Trade No. 16 of 2025 on Import Policies and Regulations ("**Amendment**") has been issued in an effort to strengthen import governance and improve business certainty. The Amendment introduces new provisions on the revocation of Importer Identification Numbers (*Angka Pengenal Importir*/API) and the revision of import-related Regulations for investment purposes.
- The revocation process is now completed electronically through the INATRADE system, as integrated into the Online Single Submission (OSS) system, thereby replacing manual verifications undertaken by the Ministry of Investment and Downstream Industry/Investment Coordinating Board (*Badan Koordinasi Penanaman Modal*/BKPM). Once revoked, all import-related licenses will be automatically invalidated and synchronized with the Indonesia National Single Window System (*Sistem Indonesia National Single Window* /SINSW).
- The Amendment also removes various import exemptions that were available for investment purposes, as previously set out under Regulation 16/2025, but has retained limited exemptions that remain available for restricted goods in a new condition, provided that shipments of said goods are initiated before 5 November 2025 and arrive at their destination ports by no later than 3 February 2026.

82. Regulation of the Minister of Trade No. 38 of 2025 on the Amendment to Regulation of the Minister of Trade No. 19 of 2025 on Import Policy and Provisions for Salt and Fisheries Commodities

Enforcement Date: 5 November 2025

Summary:

- This Amendment affirms that the issuance of new Import Approvals (*Persetujuan Impor* - "**PI**") for salt and fisheries commodities, including approvals for importers who have secured General Import Identification Numbers (*Angka Pengenal Importir Umum*/API-U) or Manufacturer Importer Identification Numbers (*Angka Pengenal Importir – Produsen*/API-P) will adhere fully to the determined commodity balance for each commodity. Previously, under the framework of Regulation of the Minister of Trade No. 19 of 2025, the absence of any such commodity balance meant that imports of salt and fisheries commodities had to be organized based on available data that was presented in verification reports,

recommendations or technical considerations issued by the Minister of Industry.

83. Decree of the Minister of Finance No. 4/MK/BC/2025 on Goods Restricted for Import Based on Regulation of the Minister of Trade No. 18 of 2025 on Import Policies and Provisions for Agricultural and Livestock Products, as amended by Regulation of the Minister of Trade No. 31 of 2025 on the Amendment to Regulation of the Minister of Trade No. 18 of 2025 on Import Policies and Provisions for Agricultural and Livestock Products

Enforcement Date: 6 October 2025

Summary:

- This Decree stipulates the supervision of import restrictions (at borders), along with a list of restricted goods which can be found under the Appendix to this Decree. These provisions also apply to the entry and exit of goods to and from Free Trade Zones and Free Ports (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas*/KPBPB), Bonded Warehouses (*Tempat Penimbunan Berikat*/TPB) and Special Economic Zones (*Kawasan Ekonomi Khusus*/KEK).
- However, it should be noted that this Decree does not apply to imports of cassava and derivative products that are undertaken in line with the following dates: 1) Shipped before 6 October 2025, as evidenced by dates on Bills of Lading or Air Waybills; and 2) Arrival at destination ports by no later than 31 October 2025, as proven through customs manifests (BC 1.1).
- It should be noted that the promulgation of this Decree has resulted in the simultaneous repeal and replacement of Decree of the Minister of Finance No. 35/KM.4/2025 on Goods Restricted for Import Pursuant to Minister of Trade Regulation No. 18 of 2025 on Import Policies and Provisions for Agricultural and Livestock Products ("**Decree 35/2025**").

84. Decree of the Minister of Finance No. 5/MK/BC/2025 on Import Restricted Goods Based on Regulation of the Minister of Trade No. 20 of 2025 on Import Policies and Provisions for Chemicals, Hazardous Materials and Mining Materials, as amended by Regulation of the Minister of Trade No. 32 of 2025 on the Amendment to Regulation of the Minister of Trade No. 20 of 2025 on Import Policies and Provisions for Chemicals, Hazardous Materials and Mining Materials

Enforcement Date: 6 October 2025

Summary:

- This Decree stipulates the supervision of import restrictions (at borders), along with a list of restricted goods that comprises 205 Harmonized System ("**HS**") Codes, as listed in the Appendix. These provisions also apply to the entry and exit of goods to and from Free Trade Zones and Free Ports (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas*/KPBPB), Bonded Warehouses (*Tempat Penimbunan Berikat*/TPB) and Special Economic Zones (*Kawasan Ekonomi Khusus*/KEK). The restricted items include the following, among others: 1) Hydrogen chloride (hydrochloric acid) under HS Code 2806.10.00; 2) Acetone under HS Code 2914.11.00; 3) Acetic anhydride under HS Code 2915.24.00; and so forth.
- However, it should be noted that this Decree does not apply to imports of other fuels that are undertaken in line with the following dates: 1) Shipped before 6 October 2025, as evidenced by dates on Bills of Lading or Air Waybills; and 2) Arrival at destination ports by no later than 31 October 2025, as proven through customs manifests (BC 1.1).
- It is important to note that the promulgation of this Decree simultaneously repeals and replaces Decree of the Minister of Finance No. 33/KM.4/2025 on Goods Restricted for Import Based on Regulation of the Minister of Trade No. 20 of 2025 on Import Policies and Provisions for Chemicals, Hazardous Materials and Mining Materials.

85. Decree of the Minister of Trade No. 4/MK/BC/2025 on Goods Restricted for Import Based on Regulation of the Minister of Trade No. 18 of 2025 on Import Policy and the Regulation of Agricultural and Livestock Products, as Amended by Regulation of the Minister of Trade No. 31 of 2025 on the Amendment to Regulation of the Minister of Trade No. 18 of 2025 on Import Policy and the Regulation of Agricultural and Livestock Products

Enforcement Date: 6 October 2025

Summary:

- This Decree stipulates the supervision of goods subject to import restrictions, as specifically addressed under the framework of Regulation of the Minister of Trade No. 18 of 2025 on Import Policy and the Regulation of Agricultural and Livestock Products, as amended by Regulation of the Minister of Trade No. 31 of 2025 ("**Regulation 31/2025**"). The aforementioned supervision of import-restricted goods also applies to entries and releases of goods into and from Free-Trade Zones and Free Ports (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas*/KPBPB), Bonded Zones (*Tempat Penimbunan Berikat*/TPB) and Special Economic Zones (*Kawasan Ekonomi Khusus*/KEK).
- In essence, this Decree establishes restrictions on the importation of 22 types of agricultural and livestock products, including cassava and its derivative products, which are newly featured under Regulation 31/2025. Details of said products encompass Harmonized System (HS) codes,

product descriptions, types of import licenses and commodity classifications, all of which are set out under the Appendix to this Decree.

86. Decree of the Minister of Trade No. 5/MK/BC/2025 on Goods Restricted for Import Based on Regulation of the Minister of Trade No. 20 of 2025 on Import Policy and the Regulation of Chemicals, Hazardous Substances and Mining Materials, as Amended by Regulation of the Minister of Trade No. 32 of 2025 on the Amendment to Regulation of the Minister of Trade No. 20 of 2025 on Import Policy and the Regulation of Chemicals, Hazardous Substances and Mining Materials

Enforcement Date: 6 October 2025

Summary:

- This Decree stipulates a supervision regime for goods subject to import restrictions, as specifically addressed under the framework of Regulation of the Minister of Trade No. 20 of 2025 on Import Policy and the Regulation of Chemicals, Hazardous Substances and Mining Materials, as amended by Regulation of the Minister of Trade No. 32 of 2025 ("**Regulation 32/2025**"). The aforementioned supervision of import-restricted goods also applies to entries and releases of goods into and from Free-Trade Zones and Free Ports (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas*/KPBPB), Bonded Zones (*Tempat Penimbunan Berikat*/TPB) and Special Economic Zones (*Kawasan Ekonomi Khusus*/KEK).
- In essence, this Decree establishes restrictions on the importation of various types of chemicals, hazardous substances and mining materials, including other types of fuel (e.g. ethyl alcohol, other alcohols and denatured products, regardless of their alcohol content), which are newly featured under Regulation 32/2025. Details of said products encompass Harmonized System (HS) codes, product descriptions, types of import licenses and commodity classifications, all of which are set out under the Appendix to this Decree.

87. Decree of the Director-General of Customs and Excise No. KEP-188/BC/2025 of 2025 on the Amendment to Decree of the Director-General of Customs and Excise No. KEP-97/BC/2025 on the Use of E-Seals Within the Context of the Transportation of Imported and/or Exported Goods

Enforcement Date: 30 September 2025

Summary:

- In addition to a number of existing provisions that specifically relate to the installation and release of E-Seals, as set out under Decree of the Director-General of Customs and Excise No. KEP-97/BC/2025, this Amendment now states that the procedures for the installation and release of E-Seals during special business processes (such as wing box, many/one to many/one, and so on) can be regulated separately by the Head of the Customs Office that sets the relevant route plan.
- Additionally, the Amendment also introduces a number of new parameters that should be considered during the monitoring and evaluation of E-Seal use, which now encompass the following aspects at the least: 1) Compatibility of submitted location data in accordance with Location Sharing Interval (*Jeda Notifikasi Lokasi*) provisions; 2) Capacity for the provision and utilization of E-Seal devices by customs service users and/or E-Seal providers; 3) Compliance with E-Seal installation and release provisions; 4) Route violations, E-Seal damage and/or E-Seal misuse; 5) The implementation of import and/or export cargo transportation using E-Seals; and 6) Any issues that are encountered during the use of the Service Computer System.

Transportation and Logistic Services

88. Regulation of the President No. 100 of 2025 on the Ratification of the ASEAN Mutual Recognition Arrangement on Flight Crew Licensing

Enforcement Date: 6 October 2025

Summary:

- This Regulation ratifies the ASEAN Mutual Recognition Arrangement on Flight Crew Licensing ("**MRA**"), which was officially signed in Singapore on 13 October 2017. The original English-language text of the MRA, as well as an Indonesian translation, have been included as Appendices to this Regulation.
- It is important to note that the MRA sets out various provisions that specifically address its overall scope and applicability, as well as its objectives and principles, and also related commitments from ASEAN member states. The MRA also addresses its relationship to other agreements, dispute settlement processes, data protection, requests for information, reviews and the suspension of recognitions or approvals.

89. Regulation of the Minister of Transportation No. PM 10 of 2025 on the Revocation of Regulation of the Minister of Transportation No. PM 74 of 2019 on Implementing Guidelines for Procurements of Goods/Services Through Providers

Enforcement Date: 17 October 2025

Summary:

- In 2019, the Minister of Transportation ("**Minister**") introduced Regulation No. PM 74 of 2019 ("**Regulation 74/2019**"), which features a set of applicable guidelines for procurements of goods/services through the Ministry of Transportation. This framework stipulated that procurements should be carried out either through processes of self-management and/or by providers.
- However, given that the mandate for relevant government ministries or agency heads to further set out a detailed mechanism for the above-mentioned procurements of goods/services no longer features under Regulation of the President No. 46 of 2025 on the Second Amendment to Regulation of the President No. 16 of 2018 on Procurements of Public Goods and Services, the government has now decided to officially revoke Regulation 74/2019 through the enforcement of this new framework.

90. Circular of the Director-General of Sea Transportation No. SE-DJPL 27 of 2025 on the Determination of the Port Master Plan, Work Environment Area (DLKr) and Port Interest Environment Area (DLKp) by Port Operators Through the Directorate-General of Sea Transportation

Enforcement Date: 4 September 2025

Summary:

- This Circular requires the relevant port authorities (i.e. Heads of the Main Port Authority and Harbor Master's Office, the Head of the Special Port Authority and Harbor Master's Office (Batam), Heads of Port Authorities and Harbor Masters' Offices, and Heads of Port Operator Units) to ensure that each port within their jurisdiction possesses the necessary Port Master Plan (*Rencana Induk Pelabuhan* – "**RIP**"), Work Environment Area (*Daerah Lingkungan Kerja* – "**DLKr**") and Port Interest Environment Area (*Daerah Lingkungan Kepentingan Pelabuhan* – "**DLKp**") documents, as drawn up in accordance with applicable Laws and Regulations.
- Such authorities are also obligated to submit regular monthly reports to the Director of Port Affairs regarding the progress of establishing RIP, DLKr and DLKp, including any obstacles or constraints that are encountered during these processes.
- In addition, the relevant authorities must submit initial monitoring reports that relate to the Port Master Plan establishment process to the Director-

General of Sea Transportation through the Director of Port Affairs within two weeks of the issuance of this Circular. Subsequent monitoring reports must be submitted on a monthly basis until the RIP has been formally established via the following designated email address: rip.sdlpelpeng@gmail.com.

91. Circular of the Director-General of Land Transportation No. SE-DJPL 29 of 2025 on Guidelines for the Docking of River and Lake Vessels

Enforcement Date: 25 September 2025

Summary:

- This Circular requires all lake vessels that carry passengers subject to mandatory classification to comply with the following measures: 1) Conduct docking/hull inspections at 12-month intervals; 2) Docking/hull inspections in dry dock may be replaced with the application of the Under Water Inspection in Lieu of Dry-Docking (UWILD) method, upon approval being secured from the Director-General of Sea Transportation; and 3) The above-mentioned annual docking/hull inspections, must be carried out every fifth time (five yearly) in a shipyard in accordance with the validity of the relevant load line certificate. Meanwhile, cargo lake vessels are mandated to conduct docking/hull inspections at least two times within a given five-year period, on the condition that the interval between dockings should not exceed 36 months.
- In terms of passenger and cargo lake vessels that are not subject to mandatory classification, as well as passenger and cargo river vessels that are subject to mandatory classification, this Circular requires all such vessels to adhere to docking regulations in accordance with applicable Laws and Regulations. These vessels are also subject to mandatory 12-month interval docking/hull inspections, while this Circular also requires these vessels to complete said docking/hull inspections at shipyards. However, in the event that no shipyard is available, then a docking/hull inspection may be conducted by beaching the vessel on the relevant riverbank after first securing approval for such an action from the local Technical Implementation Unit, as also acknowledged by the relevant village head and craftsman, and as also supervised by a Marine Inspector.
- Ultimately, any owners or operators of the above-outlined vessels who fail to comply with the above-outlined guidelines will be subject to the imposition of administrative sanctions in the form of denial of the renewal of the relevant vessel safety certification.

92. Circular of the Director-General of Sea Transportation No. SE-DJPL 30 of 2025 on Cyberattack Vigilance on Ships and at Port Facilities

Enforcement Date: 29 September 2025

Summary:

- This Circular instructs relevant port officials (i.e. Heads of Main Harbormaster and Port Authority Offices, the Head of the Batam Special Harbormaster and Port Authority Office, other Heads of Harbormaster and Port Authority Offices, as well as the Heads of Port Administration Units) to promote awareness of cyberattack threats and to implement the use of the International Ship and Port Facility Security Code ("**ISPS Code**"). These port officials will also be required to reaffirm the responsibilities of Company Security Officers ("**CSO**"), Ship Security Officers ("**SSO**") and Port Facility Security Officers ("**PFSO**") as regards the prevention and management of cyber incidents among maritime service users within their respective jurisdictions.
- Moreover, the aforementioned officials will also be required to ensure that all ship and port facility management entities that will implement or that have implemented the ISPS Code: 1) Refer to and implement Circular of the Director-General of Sea Transportation No. SE-DJPL 16 of 2024 on the Development of Cyber Security Assessments and Procedures by Ship and Port Facility Security Management for the Handling of Cyber Risk; 2) Appoint at least one CSO personnel member to manage any onboard cyber incidents; 3) Appoint at least one PFSO personnel member to prevent and respond to cyber incidents that occur at port facilities.

93. Decree of the Director-General of Sea Transportation No. KP-DJPL 474 of 2025 on Procedures for the Issuance of Approvals for the Construction/Development of Port Facilities Funded Through the State Budget

Enforcement Date: 1 September 2025

Summary:

- This Decree stipulates a set of procedures for the issuance of approvals for the construction and development of port facilities that are funded through the State Budget (*Anggaran Pendapatan dan Belanja Negara*/APBN). These procedures will serve as a set of guidelines for application by technical implementing units (*Unit Pelaksana Teknis* – "**UPT**") working under the Directorate-General of Sea Transportation ("**Directorate**") as they work to fulfil the approval request requirements for the carrying out of construction, development, rehabilitation, replacement or enhancement work at port facilities.
- Broadly speaking, the mechanism for the securing of said approvals can be summarized as follows: 1) UPT submits a written request to the Director-General of Sea Transportation ("**Director-General**"); 2) The Director-General will subsequently assign the Directorate to evaluate the submitted documents; 3) The Directorate will then notify the UPT of any deficiencies that are discovered and request improvements; and 4) The relevant approval will be issued for the construction/development of port facilities if

the submitted supporting data and requirements are declared complete and compliant.

94. Decree of the Director-General of Sea Transportation No. KP-DJPL 505 of 2025 on Technical Guidelines for the Issuance of Minimum Safe Manning Documents for Indonesian-Flagged Ships with Limited Sailing Areas, Ports, Rivers and Lakes

Enforcement Date: 23 September 2025

Summary:

- Outlined comprehensively under Appendix I to this Decree, the Technical Guidelines for the Issuance of Minimum Safe Manning Documents for Indonesian-Flagged Ships (i.e. those with limited sailing areas, ports, rivers and lakes) are applicable to the following types of vessels: 1) Passenger vessels; 2) Cargo vessels; 3) High-speed vessels; and 4) Passenger or cargo vessels equipped with outboard engines or motors.
- It should be noted that this Decree also affirms that the issuance of the above-outlined Minimum Safe Manning Documents should be organized based on the following aspects: 1) Gross tonnage (GT) of the relevant vessel; 2) The total propulsive power of the vessel (kW); and 3) Relevant sailing area. Furthermore, proof of vessel crew competency is required for the issuance of said Minimum Safe Manning Documents, as proven through proficiency certification for deck and engine departments, as outlined comprehensively under Appendix II to this Decree.

Miscellaneous

95. Law No. 14 of 2025 on the Third Amendment to Law No. 8 of 2019 on the Organization of Hajj and Umrah Pilgrimages

Enforcement Date: 4 September 2025

Summary:

- The Third Amendment has now officially introduced the Ministry of Hajj and Umrah ("**Ministry**"), which will now be the official organizer of governmental sub-affairs within the field of Hajj and Umrah pilgrimages, which fall within the scope of governmental affairs relating to religious matters. Accordingly, the new Ministry will be led by the Minister of Hajj and Umrah ("**Minister**"). In comparison with Law No. 8 of 2019 ("**Law 8/2019**"), the Third Amendment now clarifies that all Hajj pilgrims must register with the Ministry, while

registrants will be dispatched by the Minister after they have first met the relevant requirements.

- In essence, the Minister is responsible for ensuring the safety, security, comfort and smooth implementation of all Hajj pilgrims' journeys, commencing from their departure from Indonesia and extending through their stays in Saudi Arabia until their return to Indonesia. This responsibility includes the following aspects: 1) Physical and mental health; 2) Travel safety and security; 3) Service comfort in relation to accommodation, catering, transportation and Hajj rituals; 4) Emergency and disaster risk management; and 5) Legal and administrative protection both domestically and abroad during pilgrimages.
- Moreover, the Third Amendment has also now revised the eligibility requirements for the Hajj pilgrimage to persons who have never performed the Hajj pilgrimage before or who have already performed the pilgrimage, but it has been at least 18 years since their last pilgrimage (this replaces the previous 10-year requirement originally introduced under Law 8/2019). Furthermore, the Third Amendment no longer features a minimum age requirement of 18 years for unmarried persons, as was previously the case under Law 8/2019.

96. Regulation of the Government No. 37 of 2025 on the Amendment to Regulation of the Government No. 19 of 2024 on the Implementing Regulation to Law No. 15 of 1997 on Transmigration, as Amended by Law No. 29 of 2009 on the Amendment to Law No. 15 of 1997 on Transmigration

Enforcement Date: 8 September 2025

Summary:

- This Regulation adds transmigration transformation as one of its objectives. Transmigration transformation should encompass the following elements at the least: 1) Ensuring legal certainty in relation to land rights and land utilization in transmigration areas; 2) Improving the quality of local transmigrants; 3) Enhancing the presence and role of high-quality human resources; 4) Creating job opportunities through industrialization, as well as through the downstream processing of key commodities; and 5) Promoting multisectoral synergy and collaborations.
- This Regulation also adds land under management rights as one of the types of land that may be used to create transmigration areas, in addition to state land, titled land and customary land. In cases where the holder of such management rights is not the Ministry of Transmigration, then the Minister of Transmigration may propose that the holder release the management rights in order to subsequently implement a given transmigration project.
- Furthermore, this framework mandates that coordination and supervision regarding its implementation should be carried out through multisectoral collaborations. Said collaborations should be initiated in line with the National Development Risk Management framework, as well as through

processes of coordination and integration that are implemented in accordance with provisions set out under relevant Laws and Regulations.

97. Regulation of the President No. 92 of 2025 on the Ministry of Hajj and Umrah

Enforcement Date: 8 September 2025

Summary:

- This Regulation repeals and replaces Regulation of the President No. 152 of 2024 on the Ministry of Religious Affairs insofar as it regulates various duties and functions that apply in relation to the administration of the hajj and umrah pilgrimages. This new framework also repeals and replaces Regulation of the President No. 154 of 2024 on the Hajj Management Agency and establishes the Ministry of Hajj and Umrah ("**Ministry**"), which falls under the direct control the responsibility of the Indonesian President. The Ministry is headed by the Minister of Hajj and Umrah, who may be assisted by a deputy minister, as appointed by the president.
- This Regulation mandates that the Ministry will now administer the various sub-affairs of government that relate to the hajj and umrah pilgrimages, which fall under the scope of religious affairs, in order to assist the president in the administration of state governance.
- In carrying out its duties, the Ministry will perform several functions, including: 1) Formulation, stipulation and implementation of hajj and umrah policies; 2) Implementation of technical guidance and supervision over the execution of the Ministry's affairs within the regions; 3) Coordination of task implementation, development and administrative support across all organizational units under the Ministry; and 4) Management of state-owned goods/assets that the Ministry is responsible for.

98. Regulation of the President No. 99 of 2025 on the Ratification of the 1907 Convention for the Pacific Settlement of International Disputes

Enforcement Date: 6 October 2025

Summary:

- This Regulation ratifies the 1907 Convention for the Pacific Settlement of International Disputes ("**Convention**"), which was originally signed on 18 October 1907 in the Hague, the Netherlands. The original English text of the Convention and its Indonesian translation have been attached as an Appendix to this Regulation.
- The Convention features various provisions that address the maintenance of general peace, good offices and mediation, international commissions of inquiry, and international arbitration. The section on international arbitration

comprises the following four chapters: 1) The System of Arbitration; 2) The Permanent Court of Arbitration; 3) Arbitration Procedure; and 4) Arbitration by Summary Procedure.

99. Regulation of the Minister of Tourism No. 6 of 2025 on Business Activity Standards, Supervision Procedures and Administrative Sanctions for Risk-Based Business Licensing Within the Tourism Sector

Enforcement Date: 10 October 2025

Summary:

- This new framework reaffirms that the various levels of risk that apply in relation to Risk-Based Business Licensing (*Perizinan Berusaha Berbasis Risiko* – "**PBBR**") within the tourism sector comprise low, lower-medium, upper-medium and high. In addition, this new Regulation now requires all individuals and/or business entities engaged in tourism-related business and/or activities ("**Business Actors**") to secure standard tourism business certification ("**Certification**") as evidence of their compliance with the applicable standards. Furthermore, Business Actors are required to secure this Certification within one year of their business licenses (*Perizinan Berusaha* – "**PB**") being verified. It should be noted that certain lower-risk business activities may be exempted from this obligation.
- Business Actors will be supervised in accordance with their respective risk levels, ranging from low to high. The supervisory authority is distributed across the central government, provincial governments, regency or municipal governments, Special Economic Zone (*Kawasan Ekonomi Khusus*/KEK) administrators, Free Trade Zone and Free Port (*Kawasan Perdagangan Bebas dan Pelabuhan Bebas*/KPBPB) enterprise bodies and the Nusantara Capital City Authority ("**Authority**"). High-risk tourism businesses that involve foreign or domestic investment and that are located outside the jurisdiction of KEK, KPBPB or the Authority will be placed under the direct supervision of the Ministry of Tourism. This supervision will be limited to various administrative and technical aspects in order to avoid any disruption to business operations and will be completed through an integrated subsystem of the Online Single Submission (OSS) system. Said supervision will comprise routine and incidental supervisions, based on mandatory reports or specific circumstances, such as public complaints or indications of non-compliance.
- This new framework clarifies that a total of eight Business Actor conditions may serve as grounds for the imposition of administrative sanctions. These conditions include: 1) Failure to meet business activity standards; 2) Failure to submit reports; and/or 3) Failure to realize business activities within the designated timeframe. The applicable administrative sanctions comprise reprimands, temporary suspensions of business activities and revocations of business licenses. Moreover, sanctions will be imposed based on the relevant level of compliance determined through supervision and may be

applied either gradually or directly if violations threaten the safety and security of tourists, Business Actors or the general public.

100. Regulation of the Minister of Law No. 35 of 2025 on the Organization of Electronic-Based Government Systems

Enforcement Date: 20 October 2025

Summary:

- In essence, this Regulation outlines the applicable mechanism and provisions for the organization of Electronic-Based Government Systems (*Sistem Pemerintahan Berbasis Elektronik* – "**SPBE**") at the Ministry of Law ("**Ministry**"). Overall, the scope of this organization encompasses the following aspects that are specifically related to the Ministry's SPBE: 1) Governance; 2) Management; 3) Information and communication technology audits; 4) Organizers; and 5) Monitoring and evaluation.

101. Regulation of the Minister of Creative Economy/Head of the Creative Economy Agency No. 7 of 2025 on Business Activities Standards and/or Product/Service Standards for the Organization of Risk-Based Business Licensing Within the Creative Economy Sector

Enforcement Date: 22 October 2025

Summary:

- This Regulation outlines a total of 16 business activities that fall under the scope of Business Licensing (*Perizinan Berusaha* – "**PB**") within the creative economy sector. Said activities have been classified as low-risk business activities and include the following: 1) Visual communication design/graphic design activities; 2) Game content design activities; 3) Photography activities; 4) Music publishing and sheet music publishing activities; and 5) Performing arts activities.
- In order to commence either of the above business activities, this Regulation requires relevant businesses to first secure relevant PB and may also require said businesses to secure Business Licenses to Support Business Activities (*Perizinan Berusaha untuk Menunjang Kegiatan Usaha* – "**PB UMKU**"). However, the securing of said PB and/or PB UMKU must be preceded by the fulfilment of certain relevant fundamental requirements.
- Moreover, this new framework also affirms that said businesses should fulfil relevant standards for creative economy business activities that specifically relate to health, safety and the environment, with a particular focus on the clarity of information related to creative economy business. Detailed under Appendix II to this Regulation, the aforementioned clearly stated information

for creative economy products/services includes: 1) Design processes and workflows; 2) Product or service portfolios; and 3) Human resources that are competent within the relevant field or business activity.
- Any businesses that violate the above-outlined mandatory PB and/or PB UMKU may be subject to the imposition of administrative sanctions ranging from reprimands to administrative fines to the revocation of issued PB.

102. Regulation of the Supreme Court No. 2 of 2025 on Guidelines for Adjudicating Cases Involving Persons with Disabilities in Court

Enforcement Date: 20 October 2025

Summary:

- This Regulation stipulates that judges presiding over cases that involve persons with disabilities, as well as court officials who provide services to persons with disabilities, must apply several principles, including: 1) Respect for dignity; 2) Individual autonomy; 3) Non-discrimination; 4) Human diversity; 5) Accessibility; and so on. This new framework also clarifies that persons with disabilities include parties with physical, intellectual, mental and/or sensory disabilities.
- Moreover, under the new Regulation, the following rights of persons with disabilities have now been clarified: 1) Right to enjoy equal treatment before the law; 2) Right to be recognized as legal subjects; 3) Right to provide an initial identification of their condition, potentials, barriers and special needs before the court; and so forth. In this regard, the court is required to ensure the availability of reasonable accommodations for persons with disabilities, including in relation to case administration and electronic proceedings, all the way up to the execution of the relevant decisions.
- Broadly speaking, whenever examining cases that involve persons with disabilities, judges are required to take an active role in fulfilling and protecting the rights of all such persons. Furthermore, judges must prevent and/or reprimand any parties involved in court proceedings who behave or make statements that demean, stigmatize or discriminate against persons with disabilities, sign language interpreters and/or their companions. In this regard, the Regulation requires the chief or head of the court to appoint judges who have participated in training on the handling of cases involving persons with disabilities to adjudicate such cases.

103. Circular of the Minister of Tourism No. SE/4/HK.01.03/MP/2025 on the Appeal for Business Licensing Registrations by Tourism Accommodation Providers

Enforcement Date: 6 August 2025

Summary:

- This Circular states that the Chairperson of the Tourism Accommodation Providers Association should advise this organization's members to comply with the applicable business permit requirements. In this regard, tourism accommodation businesses are encouraged to comply with the following business permit-related requirements by no later than 31 December 2025: 1) Must secure relevant business permits and fulfil all relevant obligations in accordance with applicable Laws and Regulations; and 2) Must meet relevant standards that apply to tourism accommodation businesses in an effort to improve the overall quality of offered tourism services.
- Additionally, regional governments are also mandated to implement certain measures in order to encourage improvements in relation to the compliance of tourism accommodation with the applicable standards. These measures include: 1) Collection of short-term tourism data from short-term tourism accommodation rental businesses (primarily for visitors, particularly in relation to daily or weekly stays), whether or not said tourism businesses have already secured business permits, registered through the Online Single Submission (OSS) system or have commenced operations in accordance with the Standard Classification of Indonesian Business Fields (*Klasifikasi Baku Lapangan Usaha Indonesia*/KBLI); 2) Provision of guidance through socialization, facilitation and assistance regarding the fulfilment of business permit requirements by tourism accommodation providers; 3) Imposition of administrative sanctions on tourism accommodation providers in accordance with applicable Laws and Regulations.

104. Decree of the Supreme Court Registrar No. 872/PAN/HK2/SK/VIII/2025 of 2025 on the Registration and Payment of Court Fees for Electronic Judicial Review Applications

Enforcement Date: 19 August 2025

Summary:

- This Decree stipulates that registrations and the payment of fees for material judicial review applications ("**Applications**") can be carried out electronically through the Court Information System (*Sistem Informasi Pengadilan* – "**System**"). Applications may be submitted by applicants or their legal counsels, who must initially register as System users and provide an electronic domicile. Electronic submissions encompass the uploading of files, such as identifying documents, Special Power of Attorney (if using a legal counsel), along with the relevant advocate's identity card and minutes of oath, as well as relevant documentary evidence of stamp duty (*bea meterai*) payment and proof code.
- After the relevant electronic files have been successfully transmitted, the applicant must pay the case fee, which will comprise a process fee amounting to Rp. 1 million and a non-tax state revenue registration fee amounting to Rp. 200,000. Said payment should be completed through a virtual account. In addition, the applicant will be required to send the original

physical files to the Supreme Court Registrar at: PO BOX 212 Jakarta Pusat 10000.

- The applicant will be notified of their Application's registration number through the System. In this regard, the State Administrative Case Registrar's Office will also notify the defendant of the application, who will then have the opportunity to provide a written answer electronically within a set timeframe via email (perkarahum@mahkamahagung.go.id). The defendant must also send the original physical files to the Supreme Court Registrar at the aforementioned PO BOX address.

105. Draft Bill on the Third Amendment to Law No. 10 of 2009 on Tourism

Enforcement Date: -

Summary:

- The Draft Bill ("**Draft Bill**") on the Third Amendment to Law No. 10 of 2009 on Tourism is set to introduce a comprehensive new framework on sustainable and research-based tourism governance through the rolling out of 12 specific Tourism Ecosystem elements (e.g. strengthening of the tourism industry and utilization of information and communications technologies), all of which must be implemented in an integrated and sustainable manner. The Draft Bill also newly features the management of tourist destinations. In this regard, the managers of said tourist destinations may employ certified Indonesian tour guides, who are required to collaborate with local tour guides whenever assisting tourists.
- The Draft Bill also restructures the rights and obligations of tourists and business actors by merging former prohibitions into mandatory obligations in an effort to preserve tourist attractions and heritage. Moreover, business actors will be required to adopt local empowerment initiatives, which involve the provision of equal digital and information access within tourism destinations.
- In terms of funding, the Draft Bill authorizes the government to collect levies (*pungutan*) from foreign tourists, as well as to expand access to tourism funding for medium-scale enterprises and cooperatives. The Draft Bill also mandates that both central and regional governments should provide both fiscal incentives (e.g. taxation facilities) and non-fiscal incentives (e.g. simplified licensing procedures, immigration facilitation and supporting infrastructure).