| **Individual Action Plan Update for Indonesia for 2016**  **INDONESIA** |
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| ***Highlights of recent policy developments which indicate how [economy] is progressing towards the Bogor Goals and key challenges it faces in its efforts to meet the Goals.*** |
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| IAP Chapter (and Sub-Chapter and Section Heading, if any) | | **Improvements made since 2014 IAP** | **Further Improvements Planned** |
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| Tariffs | | **Minister of Finance Decree no. 132/PMK.011/2015 on Stipulation of Goods Classification System And Import Duty Charges on Imported Goods.**  Indonesia has implemented a tariff system based on HS 2012 wich covers 10,025 tariff lines (previously it covered 8,755 tariff lines).  The implementation is based on Minister of Finance Decree (PMK) no. 213/PMK.011/2011 and amended by Minister of Finance Regulation no. 135/KMK.011/2012, 133/PMK.011/2013, 97/PMK.010/2015, 132/PMK.010/2015.  The tariff commitments in several free trade agreements have been converted from HS 2010 to HS 2012. Those agreements are as follows: 1) ASEAN Trade in Goods Agreement (ATIGA) (PMK 208/PMK.011/2012) 2) ASEAN-China FTA (PMK 117 / PMK.011/2012) 3) ASEAN-Korea FTA (PMK 118/PMK.011/2012) 4) ASEAN-India FTA (PMK 221/PMK.011/2012) 5) Indonesia-Japan Economic Partnership Agreement (PMK 209/PMK.011/2012) 6) Indonesia-Pakistan Preferential Tariff Agreement (PMK26/PMK.011/2013)  7) ASEAN-Australia-New Zealand FTA (PMK208/PMK.011/2013)  **Issuing Ministry of Finance Regulation Number 205/PMK.04/2015 on the Procedures of Import Duty Imposition under the Framework of International Agreement** | Indonesia will implement ASEAN Harmonized Tariff Nomenclature by the year 2017.  Note:  For implementation can be take under sub-chapter AHTN or can be included on chapter tariff. |
| Website for further information: | | [www.tarif.depkeu.go.id](http://www.tarif.depkeu.go.id) |  |
| Contact point for further details: | | <http://www.tarif.depkeu.go.id/ContactUs/?contact> |  |
| ***Non-Tariff Measures***  Non-tariff measures include but are not restricted to quantitative import/export restrictions/prohibitions, import/export levies, minimum import prices, discretionary import/export licensing, voluntary export restraints and export subsidies | | **Minister of Trade Regulation No.78/M-DAG/PER/9/2015 concerning revocation of the Minister of Trade Regulation No.45/M-DAG/PER/6/2015 concerning on provision of imports of tyres**  Objectives: to regulate revoke the Minister of Trade Regulation No.45/M-DAG/PER/6/2015 concerning provision on importation of tyres. The regulation comes into force on September 28, 2015. | NA |
|  | | **Minister of Trade Regulation No. 37/M-DAG/PER/7/2014** **concerning the amendment of Regulation of Minister of Trade No. 02/M-DAG/PER/1/2012** **concerning on Provision of Imports of Pearl**  Objectives: to improve the effectiveness of the implementation and monitoring importation of pearls. The regulation comes into force on July 3, 2014. |  |
|  | | **Minister of Trade Regulation No. 28/M-DAG/PER/6/2014 concerning on Provision of the Imports of Alloy steel**  Objectives: to fulfill the needs of domestic steel, development of the national steel industry, and creating healthy business competition. The regulation comes into force on July 2, 2014 |  |
|  | | **Minister of Trade Regulation No. 71/M-DAG/PER/9/2015 concerning The Provisions of Imports of Horticultural Product**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of textile and textile products. The regulation comes into force on December 1, 2015 |  |
|  | | **Minister of Trade Regulation No. 48/M-DAG/PER/8/2014** **concerning the second amendment of Regulation of the Minister of TradeNo. 82/M-DAG/PER/12/2012 on the Provision of Imports of Cellular Phones, Handlheld Computers and Tablet Computers**  Objectives: to increase investment and to promote the mobile phone industry, handheld computers, and tablet computers. The regulation comes into force on August 21, 2014 |  |
|  | | **Minister of Trade Regulation No. 57/M-DAG/PER/9/2013 concerning the amendment of Regulation of the Minister ofTrade No. 46/M-DAG/PER/8/2013** **concerning the Provision of Import and Export of Animals and Animal Products**  Objectives: to ensure food security, ease of import and distribution of cow and beef. The regulation comes into force on September 26, 2013 |  |
|  | | **Minister of Trade Regulation No. 84/M-DAG/PER/10/2015** **concerning on Imports Based on Cooling System**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of goods based cooling system. The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation No. 70/M-DAG/PER/9/2015 concerning on Importer Identity Number (API)**  Objectives: to provide business certainty, create conducive business climate, and increase effective implementation on the provisions on the Importer’s Indentity Number (API). The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation No. 87/M-DAG/PER/10/2015 concerning on provision of certain imports**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of certain products. The regulation comes into force on November 1, 2015 |  |
|  | | **Minister of Trade Regulation No. 86/M-DAG/PER/10/2015 concerning on provision of imports of batik textiles and batik design**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of batik textile and batik design. The regulation comes into force on October 20, 2015 |  |
|  | | **Minister of Trade Regulation No. 85/M-DAG/PER/10/2015 concerning on provision of imports of textiles and textile products**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of textile and textile products. The regulation comes into force on October 20, 2015 |  |
|  | | **Minister of Trade Regulation No. 83/M-DAG/PER/10/2015 concerning on provision of imports of ozone depleting subtances**  Objectives: to boost national competitiveness, it is necessary to simplify the licensing of trade, especially imports of ozone depleting subtances. The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation No. 77/M-DAG/PER/9/2015 concerning on Revocation of Minister of Trade Regulation No. 41/M-DAG/PER/12/2011 concerning on provision of imports of sodium tripolyphosphate**  Objectives: to revocate the Minister of Trade Regulation No. 41/M-DAG/PER/12/2011 concerning on provision of imported sodium tripolyphosphate. The regulation comes into force on September 28, 2015 |  |
|  | | **Minister of Trade Regulation No. 75/M-DAG/PER/9/2015 concerning on Revocation of Minister of Trade and Industry Regulation No. 528/MPP/KEP/7/2002 concerning on provision of imports of clove**  Objectives: to revocate the Minister of Trade and Industry Regulation No. 528/MPP/KEP/7/2002 concerning on provision of imports of clove. The regulation comes into force on September 28, 2015 |  |
|  | | **Minister of Trade Regulation No. 73/M-DAG/PER/9/2015 concerning on Labeling Obligation in Indonesian Language on Goods**  Objectives: to regulate the labeling obligation in Indonesian language in goods. The regulation comes into force on October 1, 2015 |  |
|  | | **Minister of Trade Regulation No. 127/M-DAG/PER/12/2015 concerning on provision of Imports of capital used goods**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially imports of capital used goods. The regulation comes into force on February 1, 2016 until December 31, 2018. |  |
|  | | **Minister of Trade Regulation 113/M-DAG/PER/12/2015 concerning on provision of Second Amendment of Minister of Trade Regulation No. 54/M-DAG/PER/12/2010 on Import of Iron or Steel**  Objectives: Ensure business certainty and condusive business climate regarding import of iron or steel. The regulation comes into force on December 30, 2015 |  |
|  | | **Minister of Trade Regulation 118/M-DAG/PER/12/2015 concerning on provision of Imports on Complementary Goods, Goods for Market Test Purposes, And After-Sales Service**  Objectives: Ensure business certainty and condusive business climate and encourage domestic investment, it is necessary to regulate imports on complementary goods, goods for market testing purposes, and after-sales service. The regulation comes into force on January, 1 2016 |  |
|  | | **Minister of Trade Regulation 119/M-DAG/PER/12/2015 concerning on provision of Export of Mining Processing and Refining Products**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially Export of Mining Processing and Refining Products. The regulation comes into force on February, 1 2016 |  |
|  | | **Minister of Trade Regulation 103/M-DAG/PER/12/2015 concerning on provision of Exports and Imports of Rice**  Objectives Boost national competitiveness, it is necessary to simplify the trade licensing, especially on exports and imports of Rice. The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation 02/M-DAG/PER/12/2015 concerning on provision of Imports of Color Multifunction Machines, Color Photocopying Machine, Color Printing Machines**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially on Imports of Color Multifunction Machines, Color Photocopying Machine, Color Printing Machines. The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation 97/M-DAG/PER/11/2015 concerning on provision of Imports of Forestry Products**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially on Imports of forestry products. The regulation comes into force on January, 1 2016 |  |
|  | | **Minister of Trade Regulation 125/M-DAG/PER/12/2015 concerning on provision of Imports of salt**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially on Imports of Salt. The regulation comes into force on April 1, 2016 |  |
|  | | **Minister of Trade Regulation 127/M-DAG/PER/12/2015 concerning on provision of Imports of Capital Goods in Used Condition**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially on Imports of capital goods in used condition. The regulation comes into force on February 1, 2016 |  |
|  | | **Minister of Trade Regulation 117/M-DAG/PER/12/2015 concerning on provision of Imports of sugar**  Objectives: Boost national competitiveness, it is necessary to simplify the trade licensing, especially on Imports of sugar. The regulation comes into force on January 1, 2016 |  |
|  | | **Minister of Trade Regulation 77/M-DAG/PER/10/2014 concerning on provision of Indonesia Rules of Origin (ROO)**  Objectives: that in the implementation of exports Certificate of Origin from Indonesia is needed. The regulation comes into force on January 1, 2015 |  |
|  | | **Minister of Trade Regulation 23/M-DAG/PER/4/2014 concerning on provision of the imposition of quotas in trade safeguard measures against imports of wheat flour**  Objectives: to regulate the imposition of quotas in trade safeguard measures against imports of wheat flour as trade safeguard measures that against imported goods are experiencing a surge in the number of imports. |  |
| *Website for further information:* | | [www.kemendag.go.id](http://www.kemendag.go.id) |  |
| *Contact point for further details:* | | ditjendaglu.kemendag.go.id  Directorate General for Foreign Trade Phone: 6221-23528560Fax: 6221- 23528570 |  |
| *Services* | | **BUSINESS SERVICES: LEGAL**  **Law No. 18 year 2003 concerning Lawyers**  Indonesia has a Lawyers Act which was adopted in 2003. Under the Lawyers Act, anyone who wants to exercise the profession of a lawyer in Indonesia must be a member of the Bar Association (Organisasi Advokat). Furthermore, the profession of lawyer may be executed by  Indonesian citizens who are minimum 25 years old, possess a bachelor’s degree of law and have successfully finished the exam provided for by the Bar Association. The Lawyers Act prescribes that the Bar Association is responsible for the registration of lawyers, grants licenses, issues a professional code and imposes disciplinary measures. |  |
| **BUSINESS SERVICES: ACCOUNTING**  As in 2014 IAP |  |
| **BUSINESS SERVICES: ARCHITECTURAL**  As in 2012 IAP |  |
| **BUSINESS SERVICES: ENGINEERING**  As in 2012 IAP |  |
| **BUSINESS SERVICES: OTHER PROFESSIONAL SERVICES**  Minister of Finance Regulation No. 101/PMK.01/2014 concerning Public Assessors |  |
| **BUSINESS SERVICES: OTHER**   1. Law No. 32 year 2002 concerning Broadcasting 2. Ministerof Communication and Information Regulation No. 25/PER/M.KOMINFO/5/2007concerning the Usage of National Resources for Advertising Products through Broadcasting Agency 3. Presidential Decree No. 39 year 2014concerning Negative Investment List |  |
| **COMMUNICATION SERVICES: POSTAL**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister of Communication and Information Regulation No.32 year 2014 concerning Requirements and Procedures for Granting License of Post |  |
| **COMMUNICATIONSERVICES: EXPRESS DELIVERY**  As in 2014 IAP |  |
| **COMMUNICATIONSERVICES: TELECOMMUNICATIONS**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. The Minister of Communication and Information Technology Regulation no. 7 year 2015 concerning the Second Amandement The Minister of Communication and Information Technology Regulation no. 01 year 2010 concerning Telecommunications Network Operation |  |
| **COMMUNICATION SERVICES: AUDIO VISUAL**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister of Tourism and Creative Economy Regulation No.4 year 2014 concerning the sixth Amendment to the regulation of the Minister of Culture and Tourism No. PM.55/PW.204/MKP/2008 concerning Utilization of Domestic Technical Services in Making Duplication of National and Import Film |  |
| **CONSTRUCTION RELATED ENGINEERING SERVICES**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. National Construction Services Development Regulation No. 6/2014 concerning First Amendment to the LPJKN Regulation No 10/2013 on Construction Services Business Registration |  |
| **DISTRIBUTION SERVICES**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Government Regulation No. 49 year 2014 concerning Implementation of the Commodity Futures Trading 3. Minister of Trade Regulation Number 57/M-DAG/PER/9/2014concerning the Amandement the Minister of Trade Regulation No. 53/M-DAG/PER/8/2012 concerning Franchise Operation |  |
| **EDUCATION SERVICES**  Presidential Decree No. 39 year 2014 concerning Negative Investment List |  |
| **ENVIRONMENT SERVICES**  As in 2012 IAP |  |
| **FINANCIAL SERVICES**  As in 2014IAP |  |
| **FINANCIAL SERVICES: FINANCE COMPANIES**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Bank of Indonesia Regulation No. 16/15 / PBI / 2014 concerning Business Activities of Non-Bank Foreign Exchange) |  |
| **FINANCIAL SERVICES: BANKING**  Presidential Decree No. 39 year 2014 concerning Negative Investment List |  |
| **FINANCIAL SERVICES: INSURANCE**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Law No.40/2014 concerning Insurance 3. Financial Services Authority (OJK) Regulation No. 28/POJK.05/2014 |  |
| **FINANCIAL SERVICES: CAPITAL MARKET**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Financial Services Authority (OJK) Regulation No. 5 / POJK.05 / 2014 concerning Licensing of Business and Institutional Insurance Agency |  |
| **HEALTH RELATED SOCIAL SERVICES**   * **Law No 29 Year 2004 on Medical Practice**   This law requires competency evaluation through adaptation program, which is described as "learning activities and instruction for citizen doctors and dentists or foreign doctors and dentists or assessment and/or adjustment of competencies during the education, adjustment of attitudes and behaviors corresponding socio-culture-cultural society, and an understanding of the condition and health problems in Indonesia”.   * **Law No 36 Year 2009 on Health** * **Law No 44 Year 2009 on Hospital** * **Law No 13 Year 2003 on Manpower** * **Law No 36 Year 2014 on Health Professionals** * **Presidential Regulation No 39/2014 on List Of Business Fields Closed To Investment And Business Fields Open, With Conditions, To Investment** * **MoH Regulation No 12 Year 2012 on Hospital Accreditation** * **MoH Regulation No 147 Year 2010 on Hospital Licensing** * **MoH Regulation No 67 Year 2013 on the amendment of Regulation No. 317 Year 2010 on Utilization of Foreign Health Workers** * **Regulations of Indonesia Medical Council:** * **No 14 Year 2013 on Registration of Temporary and Conditional for Foreign Doctors and Dentists** * **No 22 Year 2014 on Approval for Foreign Doctors and Dentists who Provide Education and Training in order to Knowledge and Technology Transfer of Medical/Dental Science**   **Description:**   * Commercial presence of the foreign services provider is permitted only through health institution which is registered in Indonesia and must establish partnership with local partner. * The hospital shall be managed by Board of Directors chaired by Indonesian medical doctor * Foreign workers are prohibited to take position on human resource and/or certain positions as determined by Minister Regulation * Approval subject to the social function of hospital services offered * The medical services shall be provided by persons with medical licenses issued by Ministry of Health and Health professional organization/council * Prior their practices in providing services in Indonesia, Foreign Health professionals shall be subject to competency evaluation * The health professionals shall be Indonesian |  |
| **TOURISM TRAVEL RELATED SERVICES**  Presidential Decree No. 39 year 2014 concerning Negative Investment List |  |
| **RECREATIONAL CULTURAL SPORTING SERVICES**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister Tourism and Creative Economy Regulation No.9/2014 concerning Business Standard for Tourism Cottage 3. Minister Tourism and Creative Economy Regulation No.10/2014 concerning Business Standard for Cafe 4. Minister Tourism and Creative Economy Regulation No.12/2014 concerning Business Standard for Restaurant 5. Minister Tourism and Creative Economy Regulation No.13/2014 concerning Business Standard for Rafting Tourism 6. Minister Tourism and Creative Economy Regulation No.14/2014 concerning Business Standard for Road Transport and Travel 7. Minister Tourism and Creative Economy Regulation No.15/2014 concerning Business Standard for Diving Tourism 8. Minister Tourism and Creative Economy Regulation No.16/2014 concerning Business Standard for Karaoke 9. Minister Tourism and Creative Economy Regulation No.17/2014 concerning Business Standard for Tourism Area 10. Minister Tourism and Creative Economy Regulation No.18/2014 concerning Business Standard for Catering Service 11. Minister Tourism and Creative Economy Regulation No.19/2014 concerning Business Standard for Tourism Consultant Service 12. Minister Tourism and Creative Economy Regulation No.20/2014 concerning Business Standard of Discotheque 13. Minister Tourism and Creative Economy Regulation No.9/2014 concerning Business Standard for Bar 14. Minister Tourism and Creative Economy Regulation No.24/2014 concerning Business Standard for Spa 15. Minister Tourism and Creative Economy Regulation No.4/2014 concerning Business Standard for Travel Services 16. Minister Tourism and Creative Economy Regulation No.4/2014 concerning Business Standard for Tourism Information Service 17. Minister Tourism and Creative Economy Regulation No.26/2014 concerning Business Standard for Impresariat/Promotor Service 18. Minister Tourism and Creative Economy Regulation No.27/2014 concerning Business Standard for Recreational Park 19. Minister Tourism and Creative Economy Regulation No.28/2014 concerning Business Standard for Convention, Travel, Incentive, Conference and Exhibition Service 20. Minister Tourism and Creative Economy Regulation No.29/2014 concerning Business Standard for Villa) 21. Minister Tourism and Creative Economy Regulation No.30/2014 concerning Business Standard for Playing Arena 22. Minister Tourism and Creative Economy Regulation No. 8/2015 concerning Business Standard for Sailing Boat Service |  |
| **TRANSPORT SERVICES: MARITIME**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister of Transportation Regulation No.PM 10/2015 concerning the 2nd Amendment of Minister of Transportation Regulation No.PM 10/2014 3. Minister of Transportation RegulationNo. PM 51/2015 concerning the Sea Ports Implementation 4. Minister of Transportation RegulationNo. PM 45/2015 concerning Ownership of the Capital Requirements Enterprises in Transportation 5. Minister of Transportation Regulation No.PM 60/2014 concerning Implementation and Utilization of Loading and Unloading Goods To and From The Ships |  |
| **TRANSPORT SERVICES: AIR**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister of Transportation Regulation No.PM 66/2015 concerning Air Transport Activity Not Commercial & Commercial Air Transport Not Scheduled Overseas Foreign civil aircraft to and from the territory of the Republic of Indonesia 3. Minister of Transportation Regulation No PM 56/2015 concerning The Activities of Cultivation at the Airport 4. Minister of Transportation Regulation No PM 43/2015 concerning Concessions and Other Forms of Cooperation between Government and Business Entities for Services Airport Airport Affairs |  |
| **TRANSPORT SERVICES: RAIL**  As in 2012 IAP |  |
| **TRANSPORT SERVICES: ROAD**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Government Regulations No.74/2014 concerning Road Transport |  |
| **TRANSPORT SERVICES: OTHERS**   1. Presidential Decree No. 39 year 2014 concerning Negative Investment List 2. Minister of Trade Regulation No. 90/M-DAG/PER/12/2014 concerning Construction and Structuring of Warehouse 3. Minister of Trade Regulation No. PM 74/2015 concerning Implementation and Utilization Management Services Transportation |  |
| **ENERGY SERVICES**  As in 2014 IAP |  |
| **OTHER SERVICES**  As in 2012 IAP |  |
| *Website for further information:* | | **Accounting Services**  [www.ppajp.depkeu.go.id](http://www.ppajp.depkeu.go.id)  [www.iapi.or.id](http://www.iapi.or.id)  **Communication Services**  [www.postel.go.id](http://www.postel.go.id)  www.kominfo.go.id  **Financial Services (Banking)**  [www.bi.go.id](http://www.bi.go.id)  **Financial Services (Insurance, Capital Market and Finance Companies)**  [www.ojk.go.id](http://www.ojk.go.id)  **Distribution Services**  [www.ditjenpdn.kemendag.go.id](http://www.ditjenpdn.kemendag.go.id)  **Health Services**  <http://www.depkes.go.id>  [www.inamc.or.id](http://www.inamc.or.id)  **Communication Services (Audio Visual)**  <http://www.parekraf.go.id>  **Tourism Travel Related Services**  <http://www.parekraf.go.id>  **Recreational and Entertainment Services**  <http://www.parekraf.go.id>  **Transport Services (Road)**  [http://www.hubdat.web.id](http://www.hubdat.web.id/)    **Transport Services (Air)**  <http://hubud.dephub.go.id/>  **Transport Services (Rail)**  http://www.dephub.go.id/  **Transport Services (Others)**  <http://www.dephub.go.id/>  **Educational Services**  <http://www.kemdikbud.go.id>  http://litbang .kemdikbud.go.id  <http://dikti.kemdikbud.go.id/>  <http://www.bsnp-indonesia.org>  **Labor Issues:**  <http://www>. depnakertrans.go.id |  |
| *Contact point for further details:* | | **Accounting Services**  [ppajp@depkeu.go.id](mailto:ppajp@depkeu.go.id)  [info@iapi.or.id](mailto:info@iapi.or.id)  **Communication Services**  [ikhba@postel.go.id](mailto:ikhba@postel.go.id)  **Health Services**  [pusat.ksln@gmail.com](mailto:pusat.ksln@gmail.com)  **Communication Services (Audio Visual)**  [nwadnyani@gmail.com](mailto:nwadnyani@gmail.com)  **Tourism Travel Related Services**  [nwadnyani@gmail.com](mailto:nwadnyani@gmail.com)  **Recreational and Entertainment Services**  [nwadnyani@gmail.com](mailto:nwadnyani@gmail.com)  **Educational Services**  [sekretariat.kabalitbang@gmail.com](mailto:sekretariat.kabalitbang@gmail.com)  [info@bsnp-indonesia.org](mailto:info@bsnp-indonesia.org) |  |
| ***Investment*** | | **INVESTMENT APPLICATION**  **Chairman of Investment Coordinating Board Regulation No. 14 of 2015 on Guideline and Procedure of Investment Principal License**   * + This regulation revokes and replaces CIICB Regulation No. 5 of 2013 and CIICB Regulation No. 12 of 2013 on Guideline and Procedure of Investment License and Non-License Services.   + It kicks off the breakthrough “3-Hour Investment Licensing Services”, which tremendously shortens investment principal license application procedure from previously 23 days or more, to only 3 hours.   + In “3-Hour Investment Licensing Services”, investors will receive all 8+1 licenses to start a business in Indonesia: investment license; deed of establishment and decree of legalisation; tax ID; company registration certificate; foreign worker employment plan; foreign worker employment permit; importer ID for manufacturer; and customs ID; plus a land booking certificate.   + Investors in industrial zones who has obtained all 8+1 licenses can start construction phase at once.   + The following requirements for the “3-Hour Investment Licensing Services”must be met: * Investment value of at least IDR 100.000.000.000,- (or its equivalent in USD); * Employ at least 1.000 local workers; * Direct submission by at least one of the company shareholders (must be present).   + This regulation also adjusted the criteria for all foreign direct investment as follows (unless stipulated differently):     - Total investment value, excluding land and property, must be higher than IDR 10.000.000.000,- (or its equivalent in USD).     - Issued/subscribed capital in equal amount as paid-up capital (at least IDR 2.500.000.000,- or its equivalent in USD).     - Each shareholder to have at least IDR 10,000,000,- share subscription or its equivalent in USD. Percentage share of ownership will be determined from the amount of share owned in IDR.     - For expansions of the same business field within the same business group in KBLI (Indonesian Standard Industrial Classification, or ISIC) at the same location, its investment value may be less than 10.000.000.000,-, provided that the sum of all investment value, excluding land and property, from all projects within the existing business has reached Rp10.000.000.000,-.     - For expansions of one or more business fields within the same subgroup in KBLI, which are not granted with facilities outside industry sector and located in the same district/city, its investment value may be less than Rp10.000.000.000,-, provided that the sum of all investment value within the existing business fields, excluding land and property, has reached Rp10.000.000.000,-.   + This regulation came into force on:     - October 26, 2015 for National OSS (PTSP Pusat) in BKPM;     - January 26, 2016, at the latest, for BPMPTSP Province, BPMPTSP District/City, PTSP KPBPB and PTSP KEK (90 days from date of the enactment).   **Chairman of Investment Coordinating Board Regulation No. 15 of 2015 on Guideline and Procedure of Investment License and Non-License**   * + This regulation revokes and replaces CIICB Regulation No. 5 of 2013 and CIICB Regulation No. 12 of 2013 on Guideline and Procedure of Investment License and Non-License Services.   + It aims to further simplify procedures and shorten periods of application for investment license and non-license from 7 to 6 working days, and the issuance of sectoral investment license and non-license National OSS (*PTSP Pusat*) in BKPM.   + This regulation came into force on: * October 26, 2015 for National OSS (PTSP Pusat) in BKPM; * January 26, 2016, at the latest, for BPMPTSP Province, BPMPTSP District/City, PTSP KPBPB and PTSP KEK (90 days from date of enactment). | *Provide brief points only* |
|  | | **INVESTMENT INCENTIVES**   1. **Tax Allowance**   **Chairman of the Investment Coordinating Board Regulation No. 8 of 2015 on Procedure of Application for Income Tax Facilities for Investment in Certain Sectors and/or in Particular Area** **(Tax Allowance)**  **as amended by**  **Chairman of the Investment Coordinating Board Regulation No. 18 of 2015 on Procedure of Application Income Tax Facilities for Investment in Certain Sectors and/or in the Particular Area (Tax Allowance)**   * + This regulation serves to implement the provision of article 9 paragraph (2) Government Regulation No. 18 of 2015 on Income Tax Facilities for Investment in Certain Sectors and/or in the Particular Area.   + Investors can obtain tax allowance in 25 days, and tax holiday in 45 days only.   + CIICB Regulation No. 8 of 2015 came into force on May 6, 2015, and amended by CIICB Regulation No. 18 of 2015 which came into force on October 26, 2015.  1. **Tax Exemption/Reduction**    * **The issuance of Government Regulation Number 74 of 2015 on the Exemption of Value-Added Tax for the Provision of Particular Port Services towards Ships Transporting Goods Abroad.**    * **The issuance of Government Regulation Number 69 of 2015 on the Importation and Provision of Particular Means of Transport and the Provision of Taxable Service on Particular Means of Transport that are Subject to Value-Added Tax Exemption**    * **Regulation of The Minister of Finance of The Republic of Indonesia Number 159/PMK.010/2015 on Granting of Corporate Income Tax Reduction Facility**    * This regulation revokes and replaces the Regulation of the Minister of Finance Number 130/PMK.011/2011 on Granting of Corporate Income Tax reduction or Exemption Facility as amended by the Regulation of the Minister of Finance Number 192/PMK.011/2014    * It aims to increase direct investment activities, especially in pioneer industries, and to encourage economic growth.    * This regulation came into force on August 16, 2015.   **Chairman of Investment Coordinating Board Regulation No. 13 of 2015 on Procedure of Application Corporate Income Tax Facilities**  **as amended by**  **Chairman of Investment Coordinating Board Regulation No. 19 of 2015 on Procedure of Application Corporate Tax Income Facilities (Tax Holiday)**   * + This regulation serves to implement the provision of article 5 paragraf (1) Minister of Finance Regulation No. 159/PMK.010/2015 on Corporate Income Tax Facilities (Tax Holiday).   + It aims to speed up the process to obtain tax holiday from 125 to 45 days only.   + Requirements to obtain Tax Holiday are:     - * New taxpayer       * Must be classified as “pioneer industries”: * Upstream Metals * Oil Refineries * Basic Organic Chemical Industry from Oil and Natural Gas * Industrial Machinery * Telecommunications, Information, and Communication * Marine transportation * Manufacturing as part of main industry in Special Economic Zones * Economic infrastructure, other than government and business entity scheme (KPBU) * Manufacturing based on Agriculture, Forestry, and Fisheries   + - * Investment plan of at least IDR 1.000.000.000.000,-.       * For telecommunications, information and communication industries introducing high technologies, investment plan must be at least IDR 500.000.000.000,-.       * Debt to Equity Ratio must meet the MoF requirement, which is 4:1.   + CIICB Regulation No. 19 of 2015 came into force on October 26, 2015.  1. **Import Duties**    * **The issuance of Minister of Finance Regulation Number 188/PMK.010/2015 on the Second Amendment to Minister of Finance Regulation Number 176/PMK.011/2009 on the Exemption of Import Duty for the Importation of Machinery and Goods and Materials for Investment in the form of the Establishment or Development of Industry to improve facilities provided in customs matters**    * **Chairman of Investment Coordinating Board Regulation No. 16 of 2015 on Guideline and Procedure of Investment Facilities Service**    * This regulation revokes and replaces CIICB Regulation No. 5 of 2013 and CIICB Regulation No. 12 of 2013 on Guideline and Procedure of Investment License and Non-License Services.    * It serves to implement Minister of Finance Regulation No. 176/PMK.011/2009 on the Exemption of Import Duty on Imported Machines, Goods and Materials to Build and Develop Industries in the Framework of Investment, which was then amended by Minister of Finance Regulation No. 76/PMK.011/2012.    * The objective is to further simplify application procedure and period for investment facilities.    * This regulation came into force on October 26, 2015 for PTSP Pusat in BKPM. 2. **Tax Facilities**   **Regulation of The Finance Minister Number 89/PMK.010/2015 on Procedures for The Granting of Income Tax Facilities for Investment in Certain Business Fields and/or in Certain Regions and Transfer of Assets and Sanctions on Domestic Taxpayers Given Income Tax Facilities**   * + This regulation serves to implement the provisions of Article 9 paragraph (3) of Government Regulation Number 18 of 2015 concerning Income Tax Facilities for Investment in Certain Business Fields and/or in Certain Regions.   + Under this regulation, income tax facilities are granted to domestic corporate taxpayers that invest, either new investment or expansion of the existing business, at certain business fields and certain regions.   + Tax facilities income granted to the domestic taxpayer who invest in Indonesia, both new and existing investment.   + Certain Business Fields are business fields in the sector of economic activity with high priority on the national scale, and certain areas are regions that economically have viable potentials to be developed.   + Types of income tax facilities are:   1. reduction of net income by 30% (thirty percent) of the total investments in the form of tangible fixed assets including land used mainly for business for 6 (six) years respectively at 5% (five percent) per annum, calculated from the commencement of commercial operations,   2. accelerated depreciation of tangible assets and amortization of intangible assets acquired in the framework of new Investment and / or expansion, with the useful life and depreciation rates and amortization rates,   3. income tax imposed on dividends paid to foreign Taxpayers other than permanent   4. establishments in Indonesia of 10% (ten percent), or a lower rate according to the double taxes treaties in force; and   5. compensation for loss longer than five (5) years but not more than ten (10) years.   + This regulation came into force on May 6, 2015.  1. **Bonded Zone**   The implementation of President Instruction Number 13 of 2015.   1. **Bonded Logistic Center**   **Government Regulation Number PP-85/2015 concerning the amendment to Government Regulation Number PP-32/2009 concerning Bonded Storage**  Ministry of Finance Regulation PMK-272/PMK.04/2015 concerning Bonded Logistics Center   1. **Special Economic Zone**   **Stipulated in Law Number 39 of 2009 concerning Special Economic Zone.**  **Further stipulated in Government Regulation Number 96 of 2015**  **Chairman of the Investment Coordinating Board Regulation No. 1 of 2014 on Delegation of Authority to Grant Investment Principal License to the Head of Administrator Special Economic Zone (SEZ) Sei Mangkei**  **and**  **Chairman of the Investment Coordinating Board Regulation No. 2 of 2014 on the Delegation of Authority to Grant Investment Business License to the Head of Administrator Special Economic Zone (SEZ ) Sei Mangkei**   * + These two regulations serve to implement the provision of article 44 Government Regulation No. 2 of 2011 on Implementation of Special Economic Zone and Government Regulation No. 29 of 2012 on SEZ Sei Mangkei.   + CIICB Regulation No. 1 of 2014 stipulates that the Chairman of the Investment Coordinating Boarddelegate the authority to issue Principal License, Principal License for Change in Investment, Principal License for Expansion, Principal License for Merger, cancelation and revocation of license, to the Head of Administrator SEZ Sei Mangkei for investment in that SEZ.   + CIICB Regulation No. 2 of 2014 stipulates that the Chairman of the Investment Coordinating Boarddelegate the authority to issuance Business License, Business License for Change in Investment, Business License for Expansion, Business License for Merger, and revocation license, to the Head of Administrator SEZ Sei Mangkei in for investment in that SEZ.   + Both regulations came into force on April 7, 2014.   **Chairman of the Investment Coordinating Board Regulation No. 1 of 2015 on Delegation of Authority to Grant Investment Principal License to the Head of Administrator Special Economic Zone (SEZ) Tanjung Lesung**  **and**  **Chairman of the Investment Coordinating Board Regulation No. 2 of 2015 on Delegation of Authority to Grant Investment Business License to the Head of Administrator Special Economic Zone (SEZ ) Tanjung Lesung**   * + These two regulations serve to implement the provision of article 44 Government Regulation No. 2 of 2011 on Special Economic Zone and Government Regulation No. 26 of 2012 on Special Economic Zone (SEZ) Tanjung Lesung.   + CIICB Regulation No. 1 of 2015 stipulates that the Chairman of the Investment Coordinating Boarddelegate the authority to issuance Principal License, Principal License for Change in Investment, Principal License for Expansion, Principal License for Merger, cancelation and revocation license, to the Head of Administrator SEZ Tanjung Lesung for investment in that SEZ.   + CIICB Regulation No. 2 of 2015 stipulates that the Chairman of the Investment Coordinating Boarddelegate the authority to issuance Business License, Business License for Change in Investment, Business License for Expansion, Business License for Merger, and revocation license, to the Head of Administrator SEZ Tanjung Lesung for investment in that SEZ.   + Both regulations came into force on February 18, 2015.  1. **Industrial Estate**   As in 2012 IAP. | In the near future, online tracking system will be developed to enable investors track their application status in Provincial or Regional One-Stop Service Agencies throughout Indonesia.  Amendment to Ministry of Finance Regulation Number 176 of 2013 and Number 177 of 2013 on the Exemption and Restitution of Import Duty paid for the Importation of Goods intended for Export in order to support the development of MSMEs |
|  | | **INVESTMENT CONTROLLING**  **Chairman of Investment Coordinating Board Regulation No. 17 of 2015 on Guideline and Procedure of Investment Controlling and Implementation**   * + This regulation revokes and replaces CIICB Regulation No. 3 of 2012 on Guideline and Procedure of Investment Controlling and Implementation   + It serves to implement the provision of article 14, 15, and 28 paragraphs (1) letter h Law No. 25 of 2007 on Investment, aiming to collect data on investment realisation and issues encountered by investors; perform guidance and facilitate problem solving; carry out monitoring of investment and fiscal and non-fiscal facilities, and to follow up field investigations results.   + This regulation came into force on: * October 26, 2015 for National OSS (*PTSP Pusat*) in BKPM * January 26, 2016, at the latest, for BPMPTSP Province, BPMPTSP District/City, PTSP KPBPB and PTSP KEK (90 days from the date of the enactment). |  |
|  | | **INVESTMENT FACILITATION**   * 1. **National One-Stop Shop Service *(PTSP Pusat)* in Investment**   **Regulation of The President of The Republic of Indonesia Number 97 of 2014 on Implementation of One Stop Services (PTSP)**   * + This regulation revokes and replaces Regulation of the President Number 27 or 2009 on One Stop Services on Investment.   + It aims to improve public services and simplify procedures in order to deliver fast, simple, transparent and integrated investment services.   + This regulation mandates that One-Stop Services on Investment shall be provided seven days, at the latest, once the application documents for license and non-license document are received in correct and complete manner.   + This regulation came into force on September 18, 2014   **Chairman of the Investment Coordinating Board Regulation No. 9 of 2015 on One Stop Service in Investment Coordinating Board**   * + This regulation revokes and replaces CIICB Regulation No. 3 of 2015 on One Stop Service inthe Investment Coordinating Board.   + It serves to implement the provision of President Regulation No. 97 of 2014 on One Stop Service, aiming to provide fast, simple, transparent and integrated investment services to the public.   + This regulation came into force on May 25, 2015.   **Chairman of the Investment Coordinating Board Regulation No. 4 of 2014 Information Service System and the Electronic Licensing Investment (SPIPISE)**   * + This regulation revokes and replaces CIICB Regulation No. 14 of 2009 on Investment Information and Licensing Service Electronic System (SPIPISE)   + It serves to implement the provision of article 25 paragraph (1) President Regulation No. 97 of 2014 on Implementation of One Stop Service, aiming to provide online investment license and non-license services via SPIPISE.   + This regulation came into force on October 17, 2014. |  |
|  | | **INVESTMENT GUIDE**  **Regulation of The President of The Republic of Indonesia Number 39 of 2014 on Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open for Investment**   * This regulation serves to implement Article 12 paragraph (4) and Article 13 paragraph (1) of Law Number 25 of 2007 on Investment. * It revokes and replaces Regulation of the President Number 36 of 2010 on Lists of Business Fields That Are Closed to Investment and Business Fields That Are Conditionally Open for Investment, aiming to enhance the investment activities in Indonesia and to serve the Indonesian commitment to the Association of Southeast Asian Nations/ASEAN Economic Community (AEC). * Foreign ownership restrictions have been relaxed and some sectors have been opened up, such as: * Port facilities and energy * Marine affairs and Fisheries and General or “other manufacturing” where requirement for Indonesian partnership is removed. * Sectors that are more open to foreign ownership: * Pharmaceuticals (85%, from previously 75%) * Venture Capital financing (85%, from previously 80%) * Fixed line telecommunications (65%, from previously 49%) * Increased foreign ownership for ASEAN investors: market research; production of film promotion facilities advertising; tourism and recreation (motels and golf courses); specialist medical clinics, hospitals and nursing services. * This regulation came into force on April 24, 2014. |  |
| Website for further information: | | [www.bkpm.go.id](http://www.bkpm.go.id) |  |
| Contact point for further details: | | * Director of Investment Deregulation, Indonesia Investment Coordinating Board * Director of Regional Cooperation, Indonesia Investment Coordinating Board * Head of Subdirectorate of Law at the Bureau of Legislation, Public Relations and Secretary to the Chairman, Indonesia Investment Coordinating Board |  |
| ***Standards and Conformance*** | | **Standards**  As of December 2015, 8716 active Indonesia National Standards (SNIs) have been developed by BSN. 8518 SNIs are voluntary and 198 SNIs are mandatory and being used as basic reference for Technical Regulation which stipulated by relevant Ministries.  Until now, The National Standardization Agency of Indonesia (BSN) is still to continue for alignment of SNI to relevant International standards such as ISO, IEC and CODEX. The objective is to achieve the compliance of SNI with International standards. The ultimate goal is to make better and easier global trade in the APEC region through harmonization of SNI with International Standard. |  |
|  | | **On Drugs and Foods**  As in 2012 IAP |  |
| Website for further information: | | **For Standards:**  [www.bsn.go.id](http://www.bsn.go.id)  For foods and drugs:  [www.pom.go.id](http://www.pom.go.id) |  |
| Contact point for further details: | | Centre for Cooperation on Standardization – BSN  [kerj\_int@bsn.go.id](mailto:kerj_int@bsn.go.id) |  |
| ***Customs Procedures*** | | **Paperless Trading**   1. Making National Single Window (NSW) mandatory for all importers, exporters, and customs brokers, (as well as for banking institutions in specific ports) 2. Implementing NSW at 18 main ports 3. Establishment of INSW Coordinating Board 4. Ratification of the Protocol to Establish and Implement ASEAN Single Window | Implementation of the National Single Window with broader scope and more participation of government agencies.  Propose to negotiate with regional partners to introduce the use of electronic certificate of origin |
|  | | Implementation of Harmonised System Convention  As in 2014 IAP. | Implement Harmonised System (HS) of 2017, as required by the HS Convention |
|  | | **Adoption of Kyoto Convention**   1. Completed a review on the conformity to existing customs laws, rules and procedures under the principles of Revised Kyoto Convention. 2. Issuance of Presidential Regulation Number 69 of 2014 on the Ratification of the International Convention on the Simplification and Harmonization of Customs Procedures, as Amended, and its General Annex. |  |
|  | | **Development of Authorized Economic Operator (AEO) programs**   1. Issuance of Minister of Finance Regulation Number 227/PMK.04/2014 on AEO to replace Minister of Finance Regulation No. 219/PMK.04/2010 on AEO 2. Issuance of Director General Regulation Number 04/BC/2014 on the Procedures of AEO Certification 3. Establishment of a dedicated unit for AEO under Directorate of Customs as stipulated in Minister of Finance Regulation Number PMK 234/PMK.01 /2015 4. In total, there are currently 23 certified operators | Certifying more operators |
|  | | **Adoption of Systematic Risk Management Techniques**  Passenger Information System (PNRGOV)   1. Implementing PNRGOV with IT Provider Amadeus and airlines under it 2. Developing the initial guidelines for IT providers in the implementation of PNRGOV 3. Issuing the Minister of Finance Regulation Number 166/PMK.04/2014 on the Data Submission of Passengers of Air Transport entering or exiting Customs Area | By September 30, 2016, implementing PNRGOV with most airlines operating in Indonesia  Proposing a concept note for APEC Workshop on PNRGOV on September 2016 |
|  | | **Implementation of TRIPs Agreement**  Establishment of the Team on IPR Enforcement consisting of members from relevant ministries and institutions (Ministry of Law and Human Rights, Ministry of Trade, Ministry of Industry, State Secretariat, Supreme Court, and Ministry of Finance) | Expediting the signing of the Presidential Regulation on the Enforcement of Exportation and Importation of Goods Allegedly Infringing Intellectual Property Rights; and the draft of Minister of Finance Regulation on the Procedures of the Enforcement of Exportation and Importation of Goods Allegedly Infringing Intellectual Property Rights |
|  | | **Integrity**  As in 2014 IAP |  |
|  | | **Provision for Temporary Importation**   1. The Implementation of ATA/CPD Carnet 2. The Issuance of Minister of Finance Regulation Number PMK 228/PMK.04/2014 on Temporary Admission with Carnet or Temporary Exportation with Carnet 3. The issuance of Director General Regulation Number 09/BC/2015 on the Procedures of Temporary Admission with Carnet or Temporary Exportation with Carnet |  |
|  | | **Public Availability of Information on Customs Laws, Regulations, Administrative Guidelines and Rulings provided to Business Sector on an ongoing basis**   1. Establishing Contact Center (a single point of contact) called Bravo BC 1500225 2. Updating the user interface and content of the official website of Indonesian Customs to be more user-friendly | Improvement of Indonesian Customs’ website by complementing it with international language version |
|  | | **Other issues (this includes other customs activities which facilitate trade which are not part of the SCCP)**   1. Implementing autogate system in Prime Customs Service Office of Tanjung Priok (in several temporary storages) and Surabaya (in several temporary storages) 2. Implementation of temporary storages with online capabilities in Prime Customs Service Office of Tanjung Priok, Customs Service Office of Tanjung Perak and Customs Service Office of tanjung Emas |  |
| Website for further information: | | [www.beacukai.go.id](http://www.beacukai.go.id) |  |
| Contact point for further details: | | International Affairs Directorate  (APEC Desk),  Directorate General of Customs and Excise,  Ministry of Finance.  [ariadiwidia@gmail.com](mailto:ariadiwidia@gmail.com)  [kasubditregional.ina.customs@gmail.com](mailto:kasubditregional.ina.customs@gmail.com) |  |
| ***Intellectual Property Rights*** | | As in 2014 IAP |  |
| Website for further information: | | [www.dgip.go.id](http://www.dgip.go.id)  [**www.timnaspphki.dgip.go.id**](http://www.timnaspphki.dgip.go.id) |  |
| Contact point for further details: | | Director of Patent, Ministry of Law and Human Right  Secretariat of National Task Force on IPR, Director of Cooperation and Promotion |  |
| ***Competition Policy*** | | **Law Enforcement**  Following the enactment of Government Regulation No. 17 Year 2013 on the Implementation of the Law No. 20 Year 2008 on Micro, Small, and Medium Enterprises (MSMEs), in 2015, competition agency of Indonesia has issued 2 (two) regulations to carry out supervision and law enforcement on a partnership agreement between MSMEs and large-sized enterprises, and between micro and small-sized enterprises to medium-sized enterprises. The regulations are:   * The Commission Regulation No. 1 Year 2015 on Procedures for Monitoring the Implementation of the Partnership (signed on 30 June 2015) * The Commission Regulation No. 3 Year 2015 on Procedures for Case Handling Procedure on the Implementation of Partnership (signed on 30 September 2015)   With the issuance of the two regulations, the competition agency then can formally receive complaints and conduct initiatives over the alleged violations of partnership agreement between large enterprises and micro small and medium-sized enteprises.  The amendment of Indonesian competition law, the Law No. 5/1999 concerning the Prohibited Monopoly Practice and Unfair Business Competition is still on progress at the Parliament. This change is important to enhance the effectiveness of Indonesian competition regime and to provide continous legal certainty for the businesses in Asia Pasific.  **Mergers and Acquisitions**  Related to merger and aquisition (M&A), in 2015, KPPU received 36 mandatory merger notification, 25% of it is mergers by foreign enterprises. From that number, 16 notifications is merger in finance sector (8 notifications) and plantation sector (8 notifications). The merger and aquisition aggressiveness in both sectors has occurs in the past three years, this phenomenon showed that financial and plantation industry lead to positive growth.  **Coordination between regulators/ministries**  Coordination in competition policies in Indonesia is performed through the Memorandum of Understanding, which involves parties like ministry and government agency, local government, academician and assosiation, and law enforcer. In 2015, the cooperation was established between competition agency and Ministry of Home Affairs and East Kalimantan Government, to internalise competition principles in regional policies. Other cooperation in the development of competition knowledge hub was made between competition agency and 3 (three) public universities to adapt the competition law curriculum and to conduct intensive outreach activities to academicians.  Formal cooperation between competition agency and the largest business community in Indonesia (Indonesia Chambers of Commerce and Industry) was also enter into force in 2015, to ensure the improvement of condusive business environment and competition compliances.  **Cooperation with Other Economies and Regions**  The year 2015 is an important year for competition policy and law implementation in ASEAN region, currently 9 (nine) AMS already established competition law. Indonesia has actively been involved in the introduction and adaption process through the compilation of guideline, handbook, website and strategic plans, as stated in ASEAN Economic Community Blueprint. Oficial visit from Laos and Vietnam to Indonesian competition agency to learn about Indonesian practices and approaches in competition law was facilitated. Four regional activities were performed by Indonesia to help improve the capacity of ASEAN competition agency in investigation process, institutional development, and economic analysis.  In 2015, Indonesia established the Jakarta International Competition Forum (JICF), as an international competition forum for multi stakeholder. The first forum conducted on June 10, 2015 with theme “*Competition Policy in Responding to Indonesia’s Economic Challenges*”, that aimed to put competition policy as one of important aspect on national development program, and to improve the mainstreaming of fair competition. | Currently Indonesia is in the process of amending its competition law. The amandment proposal is submitted into National Legislation Programme (priority) 2015 by the Indonesia House of Representative. The amandment is scheduled to be completed on 2016. |
| Website for further information: | | <http://www.kppu.go.id> or <http://eng.kppu.go.id> |  |
| Contact point for further details: | | **Secretary General**  Komisi Pengawas Persaingan Usaha  Phone. +62-21-3507015/16/49  Fax. +62-21-3507008  E-mail. [international@kppu.go.id](mailto:international@kppu.go.id) |  |
| ***Government Procurement*** | | As in 2014 IAP |  |
| Website for further information: | | [www.lkpp.go.id](http://www.lkpp.go.id) |  |
| Contact point for further details: | | [humas@lkpp.go.id](mailto:humas@lkpp.go.id) or  Helpdesk : 021 - 7918 1153 Fax : 021 - 797 3548 Email : [helpdesk-lpse@lkpp.go.id](mailto:helpdesk-lpse@lkpp.go.id) |  |
| ***Deregulation/Regulatory Review*** | | 1. Background Study of the Integration of the regulatory framework in the draft of medium-term Development Plan 2015-2019 had been made within two years from 2012-2014. 2. A comprehensive Regulatory Reform has been stated in the National Midterm Development Plan 2015-2019. 3. In furtherance, a National Strategy on Regulatory Reform has been launched by the Minister Of Development Planning on October 6, 2015. 4. The National Strategy itself consists of 4 (four) main policies. They are among others are: regulatory simplification; re-conceptualizing procedure of policy and regulatory making; re-structuring Policy and Law Making Institutions; and capacity building for policy and regulatory makers. 5. Regulatory Simplification.   It is a policy implemented onto existing regulations and it is meant to reduce number of regulations.   * Bappenas has developed a tool, namely Instrument of Regulatory Simplification (IRS). * In various occasions, the President stated the importance of controlling quantity and quality of regulation. * In December 2015, before the entire Member of the Cabinet, the President instructed all government institutions to reduce 50% of 42.000 regulations. * The draft of Executive order of such de-regulation has been on process.  1. On the re-conceptualizing procedure of policy and regulatory making.  * Law No. 12 of 2011 on the Formulation of Laws and Regulations. * The Implementing Regulation of Law No. 12 of 2011, i.e. Presidential Regulation No. 87/2014 has been enacted. * Having realized that Law No. 12 of 2011 which is unable to support the dynamics of policy and regulatory making, currently the GoI (National Law Development Agency) has been conducting a research for the making of Academic Draft in order to replace of Law No. 12 of 2011. It was started in 2015 and is expected to be completed in October 2016. * The important issues to be accommodated in the Academic Draft, among others are integration of process in policy and regulatory making, the operationalization of Cost and Benefit Analysis, etc.  1. Single Authority of regulatory reform.   Currently, the authority for policy and law making is spread out in various institutions. As consequences, number of laws and regulations as well as regulatory quality are unmanaged satisfactorily. A single authority on regulatory management is greatly needed.   1. On the capacity building for policy and regulatory makers.  * Informal agreement has been reached between Bappenas and the Ministry of Law and Human Rights on the co-operation of mutual training for both policy and regulatory makers. * The development of module of training has been developed. | A study on institutional setting on the regulatory making needs to be conducted in the near future |
| Website for further information: | | [www.bappenas.go.id](http://www.bappenas.go.id)  [www.bphn.go.id](http://www.bphn.go.id)  [www.kemenkumham.go.id](http://www.kemenkumham.go.id) |  |
| Contact point for further details: | | Mrs. Diani Sadiawati  Director for Analysis of Law and Regulations  Ministry of National Planning and Development  [diani@bappenas.go.id](mailto:diani@bappenas.go.id)  Mr. Subianta Mandala  Deputy Director  National Law Development Agency  [subianta\_mandala@yahoo.com](mailto:subianta_mandala@yahoo.com) |  |
| ***Implementation of WTO Obligations/ROOs*** | | Implementation of WTO Obligations :   * During 2014-2015, Indonesia has submitted 81 notifications related to the implementation of the Multilateral Agreements on Trade in Goods and Trade in services. The notifications cover 29 areas in Committeee on Safeguard, 8 areas under Import Licensing, 40 areas under SPS and 4 areas under agriculture, 3 areas under SCM, 1 area under Trade and services, and 1 notification about state trading enterprise. * Indonesia is still working on domestic ratification process of Trade Facilitation Agreement, and Indonesia is going to amend Law number 7 year 1994 on ratification of the establishing of WTO as well.   ROOs:  Indonesia regulates rules of origin for non preferential treatment through Minister of Trade Decree number 77/M-DAG/PER/10/2014 on Rules of Origin of Indonesia  Objective : facilitate export on goods, expands export, and avoid circumvention .Indonesia rules of origin are applied in a manner consistent with the disciplines and principles set out in the WTO agreement on Rules of Origin. | *Provide brief points only* |
| Website for further information: | | [www.kemendag.go.id](http://www.kemendag.go.id) |  |
| Contact point for further details: | | <http://ditjenkpi.kemendag.go.id>  Directorate for Multilateral Cooperation  Phone: (6221) 3840139  Fax: (6221) 3847273 |  |
| ***Dispute Mediation*** | | As in 2012 IAP | *Provide brief points only* |
| *Website for further information:* | | http://[www.bani-arb.org](http://www.bani-arb.org) |  |
| *Contact point for further details:* | | **The Indonesian Arbitration Center** **(BANI)** Wahana Graha, 2nd Fl. Jl. Mampang Prapatan No. 2, Jakarta Selatan  Phone: + (62 21) 7940542  Fax: + (62 21) 7940543  Email: [bani-arb@indonet.net.id](mailto:bani-arb@indonet.net.id) |  |
| *Mobility of Business People* | | **Presidential Decree Number 104 / 2015 regarding Amendment to Presidential Decree Number. 69 / 2015 regarding Free Visit Visa.**   * The regulation stipulates among others improvement in facilitating free short visit visa for tourism, business, social and cultural. * 75 Countries with free visit visa facilities such as : Afrika Selatan, Aljazair, Amerika Serikat, Angola, Argentina, Austria, Azerbaijan, Bahrain, Belanda, Belarusia, Belgia, Bulgaria, Ceko, Denmark, Dominika, Estonia, Fiji, Finlandia, Ghana, Hongaria, India, Inggris, Irlandia, Islandia, Italia, Jepang, Jerman, Kanada, Kazakhstan, Kirgistan, Kroasia, Korea Selatan, Kuwait, Latvia, Lebanon, Liechtenstein, Lithuania, Luxembourg, Maladewa, Malta, Meksiko, Mesir, Monako, Norwegia, Oman, Panama, Papua Nugini, Perancis, Polandia, Portugal, Qatar, Republik Rakyat Tiongkok, Rumania, Rusia, San Marino, Saudi Arabia, Selandia Baru, Seychelles, Siprus, Slovakia, Slovenia, Spanyol, Suriname, Swedia, Swiss, Taiwan, Tanzania, Timor Leste, Tunisia, Turki, Uni Emirat Arab, Vatikan, Venezuela, Yordania, Yunani. * Plus 15 Countries with free visit visa facilities based on Presidential Decree Number 43/2011 regarding third amendment to Presidential Decree Number 18 / 2003 regarding Free Short Visit Visa. Such as : Thailand, Malaysia, Singapura, Brunei Darussalam, Phillipina, Hongkong Special Administration Region (Hongkong SAR), Macao Special Administration Region (Macao SAR), Chili, Maroko, Peru, Vietnam, Ekuador, Kamboja, Laos dan Myanmar. * Total 90 countries with Free Visit Visa Facilities. * Maximum Stay 30 days. * Can not be extendable * Can not be converted   Indonesian e-passport recently issued on 9 Immigration Offices such as : Soekarno Hatta Immigration Office, Central Jakarta Immigration Office, West Jakarta Immigration Office, Surabaya Immigration Office, South Jakarta Immigration Office, Polonia Medan Immigration Office, Ngurah Rai Immigration Office, Bandung Immigration Office  Automated Gate for E-Passport Immigration Clearance has been Installed at Soekarno Hatta at Jakarta International Airport, Ngurah Rai at Bali International Airport, Kuala Namu at Medan International Airport and Juanda at Surabaya International Airport | * To add more countries with free visit visa facilities * All Indonesian Passport will be e-passport in 2018 * Totally become 70 immigration offices will be issuing Indonesian e-passport in 2016 * Directorate General of Immigration will be joining on International Civil Aviation Organization – Public Key Directory (ICAO-PKD) member * Directorate General of Immigration will be installed Automated Gate for e-passport immigration clearance at Terminal 3 Ultimate Soekarno Hatta Airport Jakarta by the end of 2016. |
|  | | **Visa Regulation**:  As in 2014 IAP |  |
|  | | **Border Control Management (BCM) System**:   * BCM System has been applied in 70 (seventy) Immigration Checkpoints in Indonesia, in which 31 (thirty one) checkpoints are permanent and 39 (thirty nine) are mobile unit | To add more immigration checkpoints installed with BCM system |
|  | | **Technical Cooperation and Training:**  As in 2012 IAP |  |
| Website for further information: | | [**www.imigrasi.go.id**](http://www.imigrasi.go.id) |  |
| Contact point for further details: | | Tel: (62-21) 522 4658 (Hunting)  Fax: (62-21) 522 5037 /522 5033  [**humas@imigrasi.go.id**](mailto:humas@imigrasi.go.id)  [**dit\_lbkln@imigrasi.go.id**](mailto:dit_lbkln@imigrasi.go.id) |  |
| *Official websites that gather economies’ information* | | **Indonesia Investment Coordinating Board (BKPM):**  www.bkpm.go.id  **Agency in charge of Statistics in Indonesia or BPS-Statistics Indonesia (BPS)**  [www.bps.go.id](http://www.bps.go.id)  **Indonesia National Single Window**  www.insw.go.id   **Ministry of Trade of Indonesia**  [www.kemendag.go.id](http://www.kemendag.go.id)  **Coordinating Ministry for Economic Affairs**  [**www.ekon.go.id**](http://www.ekon.go.id) |  |
| Website for further information: | |  |  |
| Contact point for further details: | | Sub Directorate Statistical Promotion and Services Statistics Indonesia (BPS) Jl. Dr. Sutomo No. 6-8, Jakarta 10710, Indonesia  Telp: +62 21 350-7057 , ( +62 21 381-0291 ext. 3230 ) Fax: +62 21 386-3740  Public Relations Center of Indonesia’ s Ministry of Trade  Building I, 2nd Floor, Jl. M. I. Ridwan Rais No. 5 Jakarta Pusat 10110 Ph : (021) 3860371, (021) 3858171 ext. 1321 Fax: (021) 3508711  Bureau of Law and Public Relation  A.A. Maramis II Building  Jln. Lapangan Banteng Timur no. 2-4 Jakarta Pusat 10710  Ph. +62 21 3521835 |  |
| ***Transparency*** | | **Enforcing the Public Access to Information Law**  As in 2014 IAP  **Clean Election Campaigns and Programs**  As in 2014 IAP  **Anti Grafts Measures**  As in 2014 IAP    **Integrity and Transparancy in the Judicial System**  As in 2014 IAP  **Anti-corruption Prevention and Enforcement Policies and Practices**  As in 2014 IAP |  |
| Website for further information: | | <http://kpk.go.id/id/> |  |
| Contact point for further details: | | Directorate of Fostering Networks between Commission and Institutions Email: [informasi@kpk.go.id](mailto:informasi@kpk.go.id) |  |
| **RTAs/FTAs** | | | |
| ***-*** ***Description of current agreements*** | | 1. **ASEAN Trade in Goods Agreement (ATIGA)**   As in 2012 IAP   1. **ASEAN Framework Agreement on Services (AFAS)**  * Indonesia has ratified the *Protocol to Implement the Eighth Package of Commitments under the ASEAN Framework Agreement on Services* (AFAS) through Presidential Regulation in January 2012. The 8th Package of AFAS that has been agreed by Members of ASEAN in 2012 gave mandates to the Members to increase the number of services sectors as commitments for liberalization, and to increase the share of foreign capital (foreign equity participation) for both priority sectors and non-priority sectors. * The ASEAN members has been agreed *the Nineth* *Package of Commitments under the ASEAN Framework Agreement on Services* (AFAS) in 2015 but Indonesia has not ratified it.  1. **ASEAN-China Free Trade Agreement (ACFTA)**  * Indonesia has ratified the Protocol to Implement the Second Package of Specific Commitment ACFTA Trade in Services through Presidential Regulation No.30 year 2013. the Protocol to Implement the Third Package of Specific Commitment ACFTA Trade in Services has signed in 2015 and currently, the protocol is under ratification process.   Improvement planned:   * Protocol to Amend the ACFTA Trade in Goods concerning the Operational Certification Procedures; * The Second Package of Trade in Services Agreement; * Tariff for Sensitive List will be reducing 0 – 5% on 2018. * Protocol to Incorporate TBT and SPS, Sensitive Track (ST) Tariff became maximum 20% by 1 January 2012  1. **ASEAN-Korea Free Trade Agreement (AKFTA)**   As in 2012 IAP  Improvement planned:   * Impact study is planned to assess the actual level of utilization of AKFTA by business. Further work programme will be based on the findings of the study in 2011. * Tariff for Sensitive List will be reducing 0 – 5% on 2016. * Sensitive Track (ST) Tariff became maximum 20% by 1 January 2013  1. **ASEAN-Japan Comprehensive Economic Cooperation (AJCEP)**   As in 2012 IAP   * Trade in Services has been concluded  1. **ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)**   As in 2012 IAP  Improvement planned:   * Has finalized the First Protocol to Amend the Agreement AANZFTA final draft, ready to be signed in AEM Retreat Meeting on February 2014. * Indonesia has implemented tarif based on HS 2012 in AANZFTA based on Minister of Finance Regulation No.208/PMK.11/2013 dated 31 December 2013 and effectively implemented on 1 January 2014.  1. **ASEAN-India Free Trade Agreement (AIFTA)**   As in 2012 IAP   * The Agreement on Trade in Services Under The Framework Agreement on Comprehensive Economic Cooperation has been concluded in November 2014.  1. **Indonesia – Japan Economic Partnership Agreement (IJ-EPA)**  * The 4th round of General Review was held in December 2015. The next round is scheduled to be held in March 2016. * The Sub-Committee on Trade in Services has been conducted during the 3rd Joint Committee in 2015.  1. **Indonesia – Pakistan Preferential Tariff Agreement (IP-PTA)**   IP-PTA has concluded and both countries has signed the agreement on 3 February 2013. Meanwhile the entry into force of the agreement is on 1 September 2013. IP-PTA is subject to review after one year of enforcement | |
| ***- Agreements under negotiation*** | | *Please provide information on agreements that are currently under negotiation eg issues being covered in the negotiation and the status of the negotiation.* | |
|  | ***Agreement #1*** | **Indonesia-European Free Trade Association Comprhensive Economic Partnership Agreement (IE-CEPA)**  The 9th round of negotiation was held in May 2014 in Indonesia. The next round is scheduled to be held in 2016. | |
| ***Agreement #2*** | **Indonesia-Australia CEPA (IA-CEPA)**  The 2nd round of negotiation was held in July 2014 in Australia. The next round is scheduled to be held in 2016. | |
| ***Agreement #3*** | **Indonesia-India Comprehensive Economic Cooperation Agreement (II-CECA)**  Pre-negotiation meeting was held 2011. The 1st round of negotiation will be held in 2016/2017. | |
| ***Agreement #4*** | **Indonesia-Iran Preferential Tariff Agreement (II-PTA)**  The 2nd meeting of Trade Negotiation Committee was held in May 2014 in Iran. The next round is scheduled to be held in 2016. | |
| ***Agreement #5*** | **Indonesia-Korea CEPA (IK-CEPA)**  The 7th round of negotiation was held on February 2014 in Korea. The next round is scheduled to be held in 2016. | |
| ***Agreement #6*** | **Regional Comprehensive Economic Partnership (RCEP)**  Regional Comprehensive Economic Partnership (RCEP) is a regional FTA developed among 16 countries, 10 members of ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam) and the six countries with which ASEAN has existing Free Trade Agreements (FTAs) – Australia, China, India, Japan, Korea, and New Zealand. In this regard, the six non-ASEAN countries are known as the ASEAN Free Trade Partners (AFPs).  The chapters in the RCEP are still in negotiations. Trade in goods, trade in services, investment, economic and technical cooperation, are among the chapters that has been agreed to be developed. Other issues are to be identified during the course of negotiations.  The first round of RCEP negotiations was held from 9-13 May 2013 in Brunei Darussalam. The second round of negotiations was held in Brisbane from 23-27 September 2013 and the third round was held in Kuala Lumpur, Malaysia, 20-24 January 2014. The fourth and fifth round will be held in Naning, China and Singapore, respectively.  For trade in services , The 10th round of RCEP WGTIS negotiations was held on 2015 and the 11th round will be held on February 2016. | |
| ***Agreement #7*** | **ASEAN Framework Agreement on Services 10 (AFAS 10)**  The ASEAN members still do initial offers. Indonesia has provided initial offers for AFAS 10 about 99 subsectors consisting of 29 subsectors of Priority Integration Services (PIS), 7 subsectors of Logistic (LOG) and 63 subsectors of Other (Non PIS dan Non LOG). | |
|  | ***Agreement #8*** | **ASEAN-Hong Kong Free Trade Agreement (AHKFTA)**  The 1st meeting of Working Group on Services (WGS) was held in 2014 in Bangkok. The 4th round negotiation of AHKWGS was held on December 2015 in Hong Kong. | |
| ***-*** ***Future plans*** | | **Indonesia-Peru PTA**  The 1st JSG Meeting is scheduled to be held in 2016.  **Indonesia-Chile CEPA**  The negotiation will be conducted with incremental approaches. 1st round of negotiation was held in May 2014. The next round is scheduled in 2016.  **Indonesia-EU CEPA**  The finalization of the scoping paper and the launch of negotiation are scheduled in 2016.  **Indonesia-Tunisia FTA**  As in 2014 IAP  **Indonesia-Turkey Comprehensive Trade and Economic Partnership Agreement (CTEPA)**  The CTEPA negotiation is scheduled to be launched in 2016.  **Indonesia-Egypt FTA**  AS in 2014 IAP  **Trans-Pacific Partnership (TPP) Agreement**  Indonesia’s intent to join the TPP, and currently in the processs of domestic comprehensive assesment preparation to join the TPP. | |
| Website for further information: | | [www.kemendag.go.id](http://www.kemendag.go.id) | |
| Contact point for further details: | | http:ditjenkpi.kemendag.go.id | |

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| ***Other voluntary reporting areas*** | *NA* | *NA* |
| Website for further information: | [www.kemendag.go.id](http://www.kemendag.go.id) |  |
| Contact point for further details: | [cti.indonesia@kemendag.go.id](mailto:cti.indonesia@kemendag.go.id) or [ctiindonesia@gmail.com](mailto:ctiindonesia@gmail.com) |  |