

## Guidelines and Procedures for Investment Applications

With a view to setting out the guidelines and procedures for investment applications within the framework of integrated one door services, the Head of the Indonesian Investment Coordinating Board (*Badan Koordinasi Penanaman Modal / BKPM*) has issued Regulation No. 12 of 2009. The legal basis for the regulation is to facilitate the implementation of Articles 2 and 44 of Presidential Regulation No. 90 of 2007, Article 9(1) of Government Regulation No. 38 of 2007, and Article 15(1) of Presidential Regulation No. 27 of 2009.

The regulation includes an extensive list of definitions that are used throughout.

Each of the governmental levels is addressed in Chapter III. Part One addresses the central government and BKPM role, Part Two deals with the Provincial Government role, and Part Three deals with the role of the District and City Governments, and Part Four deals with investment in free trade and port zones.


Article 13 states that there are two basic types of investment services: licensing and non-licensing. Licensing services include, among others, investment registration; in-principle investment agreement; location licenses; building permits; rights to land; and other licenses needed to implement capital investment. On the non-licensing side, the services include, among others, duty facilities for the import of machines; income tax facilities; import identification numbers; expatriate labor plans; regional incentives; and information and complaint services.

Each of these is then further enumerated in the succeeding Articles.

Applications can be submitted by the applicant or by any party with the requisite power of attorney to do so. The power of attorney must include sufficient stamp duty and clearly identify the attorney. The regulation includes at Attachment XXXVIII and XL a standard form power of attorney in Indonesian and XXXIX and XLI for English. For a power of attorney signed overseas, the power of attorney must be notarized or legalized at the Indonesian Representative Mission in the country of origin.

All licenses and non-license issued prior to this regulation remain in force until the date of their expiry.

The regulation repeals and replaces Head of BKPM Regulations No. 1/P/2008 and 2/P/2008.

The regulation was issued on 23 December 2009 and came into force on 2 January 2010. 

### ❖ Past Issues

- ✎ Vehicle Insurance 2010 - Pure Premiums, Administration Fees, and Other Fees (Issue 1272 - 08/01/2010)
- ✎ Article 4(1) of the Advocates Law - Conditionally Unconstitutional (Issue 1271 - 07/01/2010)
- ✎ Trading Goods Subject to Duty (Issue 1270 - 06/01/2010)
- ✎ Implementation of the Warehouse Receipt Subsidy Scheme - Minister of Trade Regulation

### ❖ Documents

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