

# Investing in Indonesia

**Nova Herlangga Masrie - IIPC Abu Dhabi**





# Introduction



# OUR SERVICE

We provide a comprehensive range of services to facilitate and support foreign investment in strategic regions such as South Asia, the United Arab Emirates (UAE), Middle East, Central Asia and Africa. Our core services include tailored investment consultations, strategic business matching, in-depth market insights, and continuous post-investment support to ensure sustainable growth and long-term success.

## DISCOVER IIPC ABU DHABI

### GEOGRAPHIC AREAS OF STRATEGIC INTEREST



Indonesia Investment Promotion Center (IIPC) Abu Dhabi is a representative of the Ministry of Investment and Downstream Industry/Indonesian Investment Coordinating Board (BKPM) to support the entry and successful establishment of foreign business into Indonesia and promote investment opportunities in Indonesia to potential investors from the Middle East, South Asia, Central Asia and Africa Regions.

#### Investment Consultation

Assist And Provide Guidance On Investing in Indonesia

1

#### Business Matching

Connecting with Potential Partners & Stakeholders in Indonesia

2

#### Market Insight

Provision of relevant data on industry developments; market potential, and regulatory updates

3

#### Post-Investment Support

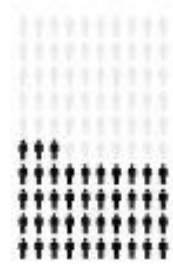
Ongoing assistance to ensure long-term success and sustainability of investments in Indonesia

4

# Overview of Indonesia



Politic, law, and policy stability



# 41%

The biggest population in ASEAN and the 4th in the world (284 million)



High growth of new middle income (57.3 million in 2024)



Abundant natural resources



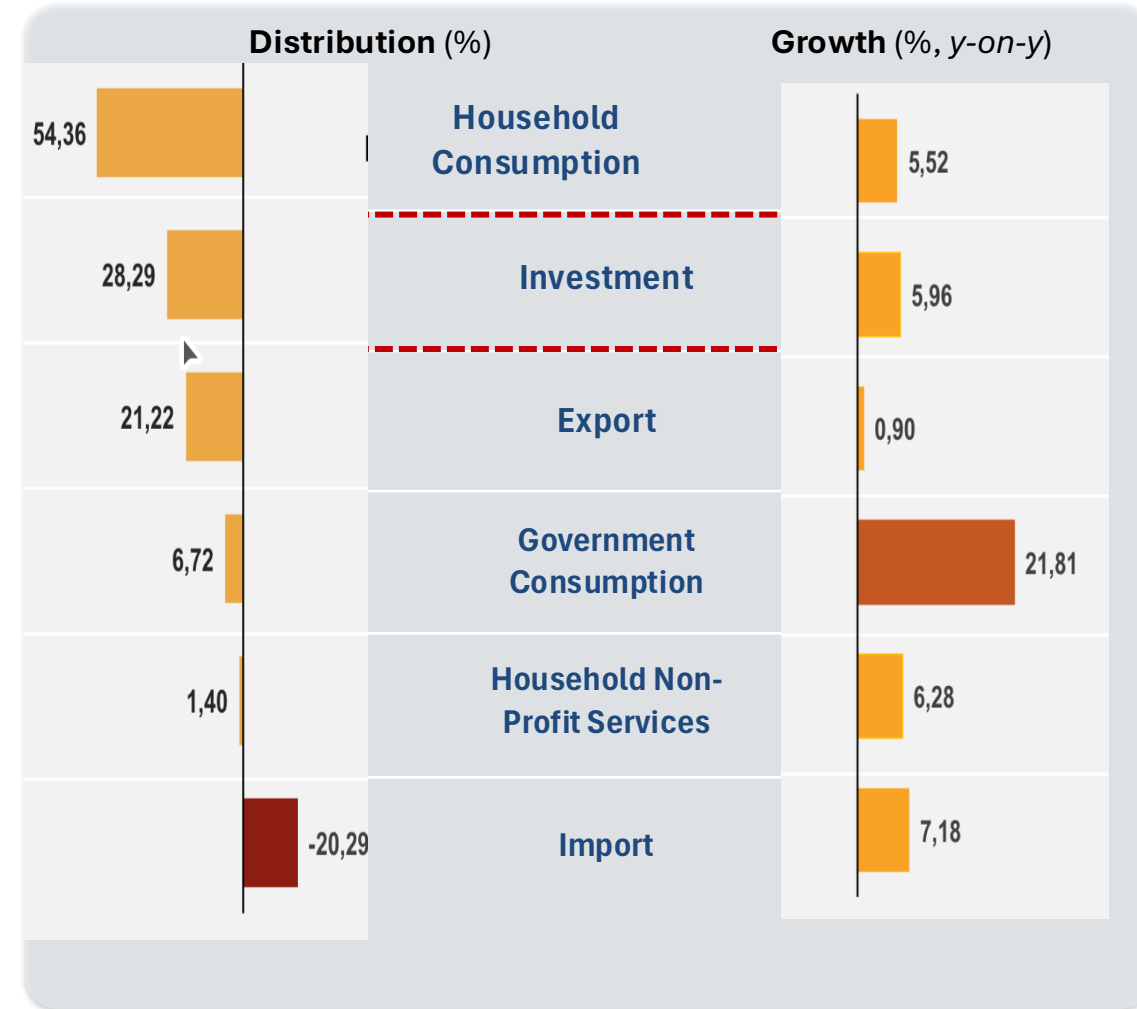
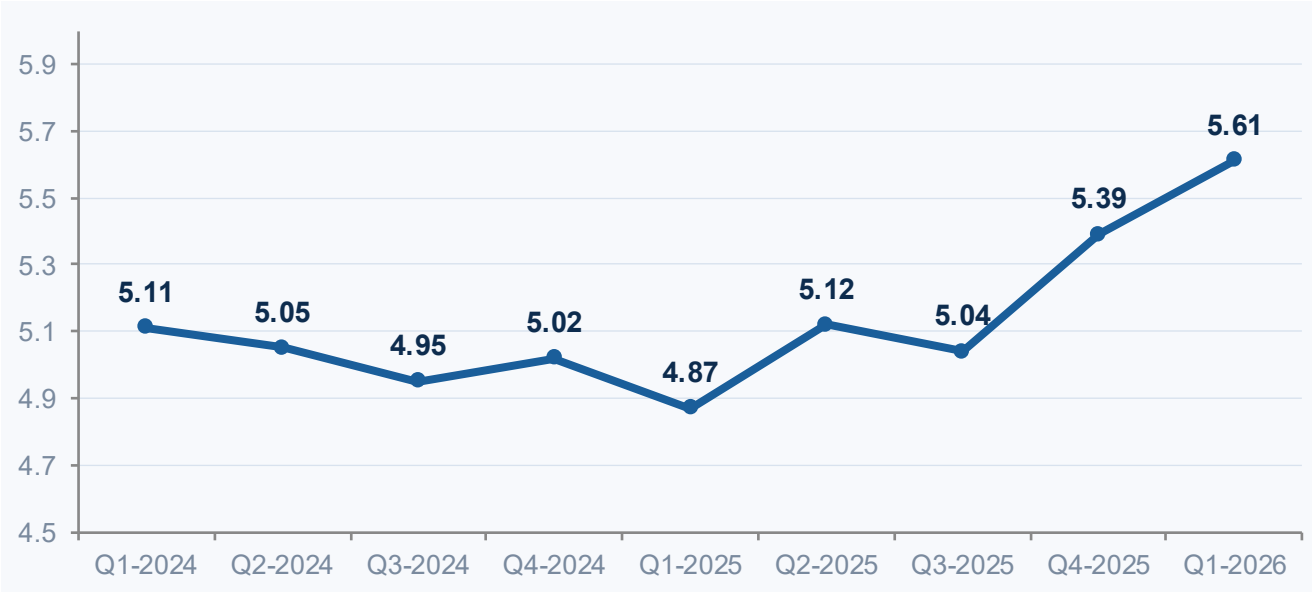
Investment potential in renewable energy



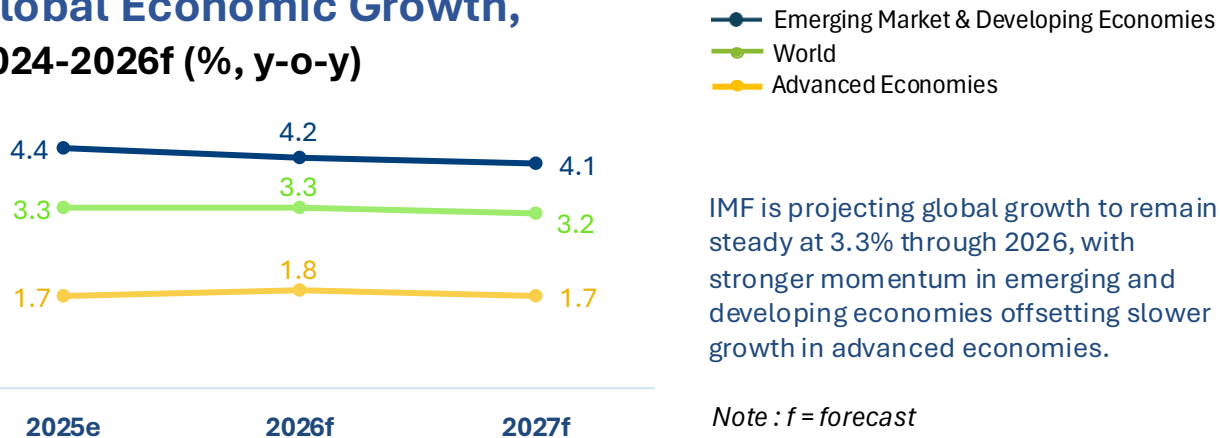
With a total area of 8.3 million km<sup>2</sup>, Indonesia is the largest archipelagic country in the world, with 17,504 islands and 108,000 km of coastline

# Indonesia's economic grew 5.61% in Q1 2026

Investment remain important component of Indonesia's economic growth



## Global Economic Growth, 2024-2026f (% y-o-y)



Source: IMF World Economic Outlook (WEO), January 2026, BPS May 2026

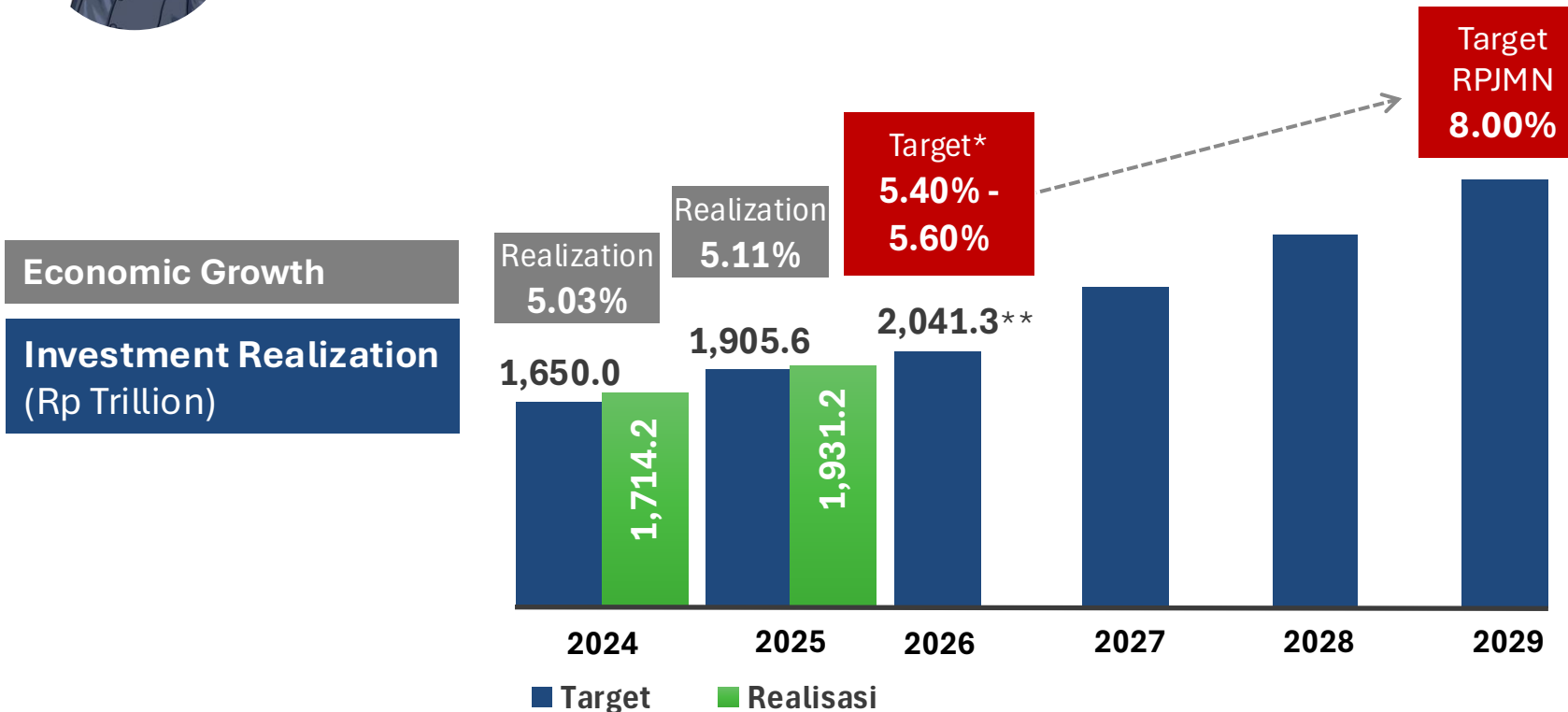
# FDI & DDI need to grow consistently to achieve 8% growth

During 2025-2029, investment of approximately 143% of the total achievement of the last 10 years is required

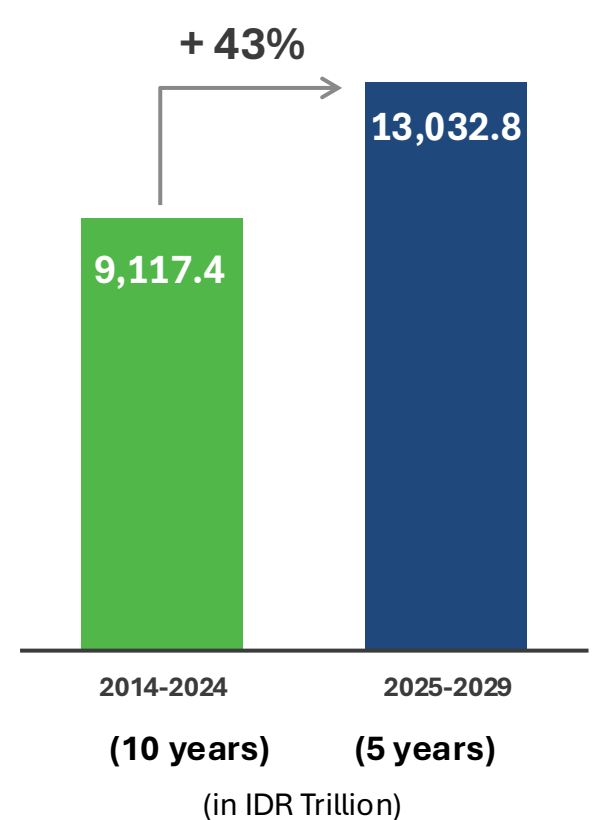


## Economic Growth and Investment Targets, 2025-2029

President Prabowo targets economic growth to **reach 8%**



## Comparison of FDI & DDI Achievement and Targets



\*) Target for 2026 is based on Law No. 17 regarding the 2026 State Budget (APBN).

\*\*\*) Adjustment of the investment realization target for 2026 based on Presidential Regulation No. 117 of 2025 regarding the 2026 Government Work Plan. Proposed by the Ministry of Investment/BKPM to the Ministry of National Development Planning/Bappenas.

# Investment Realization: 1<sup>st</sup> Quarter of 2026

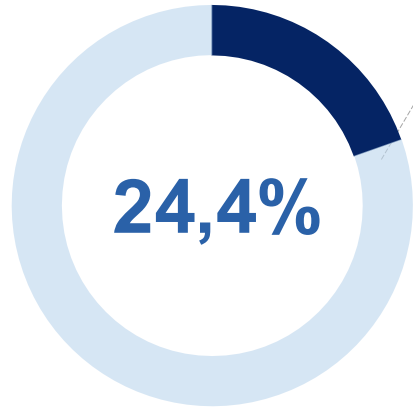
Investment Realization Q1 2026

**IDR 498,8 Trillion**

USD 31.2 Billion

↑ YoY 7,2% (IDR 465,2 Trillion)

↑ QoQ 0,4% (IDR 496,9 Trillion)



of 2026 Target

**IDR 2.041,3 Trillion**

USD 127.6 Billion



Indonesian Workforce  
Absorption

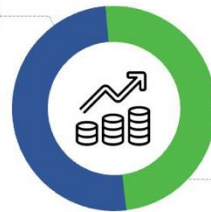
**706.569**

18,9% (YoY) ↑

**FDI (50,1%)**

IDR 250,0 Triliun

↑ 8,5% YoY



**DDI (49,9%)**

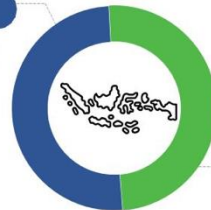
IDR 248,8 Trillion

↑ 6,0% YoY

**Java (49,6%)**

IDR 247,5 Trillion

↑ 7,9% YoY



**Outside Java (50,4%)**

IDR 251,3 Trillion

↑ 6,5% YoY

## REALIZATION OF FOREIGN DIRECT INVESTMENT (FDI) FIRST QUARTER 2026: TOP 10 INVESTOR COUNTRIES

1		SINGAPORE	US\$ 4,6 M
2		HONGKONG, RRC	US\$ 2,7 M
3		R.R. CHINA	US\$ 2,2 M
4		UNITED STATES	US\$ 1,3 M
5		JAPAN	US\$ 1,0 M
6		UNITED KINGDOM	US\$ 0,5 M
7		MALAYSIA	US\$ 0,4 M
8		SOUTH KOREA	US\$ 0,4 M
9		NETHERLANDS	US\$ 0,3 M
10		AUSTRALIA	US\$ 0,2 M



# Indonesia has undertaken reforms to reduce uncertainty & bottlenecks

The government implements risk-based business licensing, integration, and regulatory reform of business permits

## Risk-Based Business Licensing

### Mandate of the Job Creation Law Risk-Based Business Licensing

Risk	Business Licensing
Low	<ul style="list-style-type: none"> <li>Business Identification Number (NIB)</li> </ul>
Lower Middle	<ul style="list-style-type: none"> <li>Business Identification Number (NIB)</li> <li>Standard Certificate (self-declare)</li> </ul>
Upper Middle	<ul style="list-style-type: none"> <li>Business Identification Number (NIB)</li> <li>Standard Certificate (verified)</li> </ul>
High	<ul style="list-style-type: none"> <li>Business Identification Number (NIB)</li> <li>Standard Certificate as required</li> <li>License</li> </ul>

**No longer “one size fits all”:**  
Business licensing becomes easier and simpler **according to the business risk level**

## Integration of Business Licensing



The **authority** to issue Business Licenses is **delegated to the Ministry of Investment and Downstreaming/BKPM**, where issuance **must be conducted** through the **Online Single Submission (OSS) System**

## Regulatory Reform

### Government Regulation No. 28/2025

#### Certainty of Business Licensing

- **Establishment of Service Level Agreements (SLA)** for Basic Requirements, Business Licenses (PB), and Business Licenses to Support Business Activities (PB-UMKU).
- **Implementation of positive fictive principle** in business licensing.
- **Standardization** of Business License formats.

#### Simplify Process

- **Simplification** of the issuance process for Business Licenses and PB-UMKU
- **Elimination** of complicated and repetitive procedures
- A more **systematic** business licensing process



# Investment Opportunities





# Indonesia will focus on attracting 9 strategic sectors with the greatest potential to drive economic growth



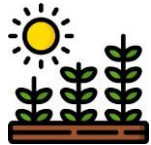
## New Renewable Energy

- Total potential: **3.687 GW**. Current installed capacity: **13.1 GW**.
- **Hydro: 95 GW, Solar: 3,294 GW, BioEnergy: 57 GW, Wind: 155 GW, Geothermal: 23 GW, and Tidal: 63 GW.**



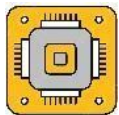
## Downstreaming industry

- Potential investment from **28 commodities** 2023-2040 is **USD 618 billion**.
- Nickel, Copper, Bauxite, Tin, Petrochemical, Fertilizer
- CPO, Sugarcane, Seaweed (Cooking oil, Oleofood, Biosolar, Bioethanol)



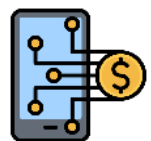
## Food security

- Rice Estate in Marauke Regency, South Papua
- Sugar and Bioethanol in Marauke Regency, South Papua.



## Semiconductor

- Availability of raw materials for the **upstream semiconductor industry**, namely Silica, Gallium, Copper, Bauxite, and Gold



## Digital Economy & Data Center

- Indonesia's digital economy market is projected to reach **USD 210-360 billion** by 2030, with a growth rate of **5.9%** (2024-2029).
- Current installed capacity is **430 MW** from a potential of **2.7 GW**.



## Export-Oriented Manufacturing Industry.

- Potential to enter the **global supply chain** (Global Value Chain/GVC).



## Healthcare

- Pharmaceutical industry, medical devices, and healthcare services.
- Special Economic Zone for Health: Sanur, Bali.



## Nusantara Capital City (IKN)

- Housing, education, hospital, **hotel**, and others
- Tax Holiday for 30 yrs, ease of licensing, HGU for 95 years & can be extended for the same period.



## Education and Vocational

- Education (from Preschool to University)
- Vocational Education -> Super Deduction Tax 200%.
- Special Economic Zone for Education -> Location: BSD, Banten.

**9 Investment >>> Priority Sectors**



## Mineral & Coal

USD 498.4 billion

## Oil & Gas

USD 68.3 billion



## Fisheries & Marine Affairs

USD 15.3 billion









## Plantation & Forestry

USD 36.1 billion





 <b>Nickel</b> #1 World (42%)	 <b>Tin</b> #2 World (16.3%)	 <b>Bauxite</b> #6 World (4%)	 <b>Copper</b> #11 World (3%)
 <b>Iron Steel</b> #16 World (0.94%)	 <b>Silica Sand</b> #18 World (0.9%)	 <b>Cobalt</b> #3 World (7.18%)	 <b>Manganese</b> #7 World (3.2%)
 <b>Gold</b> (5%)	 <b>Buton Ashphalt</b> #3 World (3.91%)	 <b>Rare Earth Metal</b> 227,976 ton	 <b>Coal</b> #7 World

 <b>Crude Oil</b> #5 Asia Pacific (0.1%)	 <b>Natural Gas</b> #4 Asia Pacific (0.7%)
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 <b>Tuna, Skipjack, Mackerel (TCT)</b> #1 World (21%)	 <b>Tilapia</b> #2 World (22.1%)	 <b>Seaweed</b> #2 World (38%)
 <b>Shrimp</b> #3 World (16%)	 <b>Salt</b> Potential Land 41,734 Ha	 <b>Blue Swimming Crab</b> #2 World (3%)

 <b>Coconut</b> #1 World (27%)	 <b>Palm Oil</b> #1 World (58.7%)	 <b>Biofuel</b> #1 World (59%) (Palm Oil)
 <b>Nutmeg</b> #1 World (31.2%)	 <b>Rubber</b> #2 World (27%)	 <b>Cocoa</b> #7 World (4%)
 <b>Pine Resin</b> #3 World (13%)	 <b>Log Wood</b> #6 World (4%)	

### Economic Impact until 2040

 <b>USD 618.1 billion</b> Investment	 <b>235.9 billion</b> Economic impact
 <b>USD 857.6 billion</b> Export	 <b>3,103,852</b> Workforce

15 Priority Commodities based on  
National Medium-Term Development Plan  
2025-2029



# INVESTMENT OPPORTUNITIES IN INDONESIA

PIR POTENSI INVESTASI REGIONAL  
KEMENTERIAN INVESTASI DAN HILIRISASI/BKPM

Home

Project Opportunity

Downstreaming

Regional

Information



## INSENTIF

Pemberian fasilitas fiskal baik berupa **fasilitas kepabeanan dan perpajakan** dalam rangka penanaman modal.



## Regional Investment Potential

Enter Keywords



<https://regionalinvestment.bkpm.go.id/>



The cover features a blue background with a pattern of white dots. At the top, there are logos for 'Dinas pmpitp' and 'Jabar Istimewa'. The main title is 'ROAD TO The 8th WEST JAVA INVESTMENT SUMMIT 2026' with a stylized 'W' graphic. Below the title is 'West Java Global Connect Series' and the tagline 'Bridging Opportunities, Accelerating Investment'. At the bottom, it says 'Showcasing West Java Investment Projects Ready to Offer' and shows an illustration of a large building.



<https://bit.ly/WestJavaInvestmentProjects>

The cover features a light blue background with a misty landscape of ancient stupas. At the top right, it says 'Central Java Provincial Government Investment and Integrated Licensing Services'. The main title is 'PROSPECT AND INVESTMENT OPPORTUNITIES IN CENTRAL JAVA'. There are two inset images: one of a fishing boat and one of an industrial facility. At the bottom, it says 'Central Java's Investment Potentials & Industrial Parks'.



<https://bit.ly/CentralJavaInvestmentProjects>



# Investment Incentives






## Providing Various Investment Incentives for Investors

Investment Incentives	Remarks
<b>Import Duty Exemption Facility for Machines/Capital Goods/Materials</b>	Import duty exemption incentives for the import of machinery and capital goods and materials for industries and service industries
<b>Tax Holiday and Mini Tax Holiday</b>	Exemption of 50-100% Corporate Income Tax (CIT) from 5 until 20 years provided for investment in pioneer industries
<b>Tax Allowance</b>	Reduction of Corporate Income Tax (CIT) by 30% of the investment value for 5 years provided for investment in certain business fields and/or areas
<b>Tax Incentive for Labor Intensive Industry</b>	Reduction of net income by 60% of investment value for 6 years for labor-intensive industries
<b>Tax Incentive for Research &amp; Development and Vocational Training</b>	Incentives of reducing net income tax for investors conducting apprenticeship/training for Indonesian workers and/or domestic research and development





















# Tax Incentives on Investment

## Tax Holiday (MoF Regulation No. 130 / 2020)

	MINI TAX HOLIDAY	TAX HOLIDAY										
<b>Percentage Reduction</b> 	<b>50 %</b>	<b>100%</b>										
<b>Concession Period</b> 	<b>5 Year</b>	<table border="1"> <tr> <td><b>20</b> Year</td> <td>&gt; USD 1,94 B</td> </tr> <tr> <td><b>15</b> Year</td> <td>USD 32,2 B – 1,94 B</td> </tr> <tr> <td><b>10</b> Year</td> <td>USD 323,3 M - 32,2 B</td> </tr> <tr> <td><b>7</b> Year</td> <td>USD 64,7 M – 323,5 M</td> </tr> <tr> <td><b>5</b> Year</td> <td>USD 32,3 M – 64,7 M</td> </tr> </table>	<b>20</b> Year	> USD 1,94 B	<b>15</b> Year	USD 32,2 B – 1,94 B	<b>10</b> Year	USD 323,3 M - 32,2 B	<b>7</b> Year	USD 64,7 M – 323,5 M	<b>5</b> Year	USD 32,3 M – 64,7 M
<b>20</b> Year	> USD 1,94 B											
<b>15</b> Year	USD 32,2 B – 1,94 B											
<b>10</b> Year	USD 323,3 M - 32,2 B											
<b>7</b> Year	USD 64,7 M – 323,5 M											
<b>5</b> Year	USD 32,3 M – 64,7 M											
<b>Transition Period</b> 	<b>25%</b> for 2 years	<b>50%</b> for 2 years										
	Minimum New Investment <b>Rp. 100 billion/ USD 6,4 Million</b>	Minimum New Investment <b>Rp. 500 billion/ USD 32,3 Million</b>										
<b>Criteria</b> 	<p>✓ <b>Pioneer Industry</b> or meet <b>Pioneer Industry Criteria</b> (Min Quantitative Score : 80)</p> <ul style="list-style-type: none"> <li>✓ Investment Realization Commitment within 1 Year</li> <li>✓ Status as An Indonesian Legal Entity</li> <li>✓ Complying with the provisions of the comparison between debt and capital of the company for the purposes of calculating Income Tax as stipulated in PMK No. 105/2018</li> </ul>											
<b>Facility Application Procedure</b> 	<ol style="list-style-type: none"> <li>1. Application through OSS</li> <li>2. Along with the taxpayer application for a new Business License (NIB) to BKPM</li> <li>3. Submission before The Start of Commercial Production and no later than 1 year after the approval of the business license</li> </ol>											

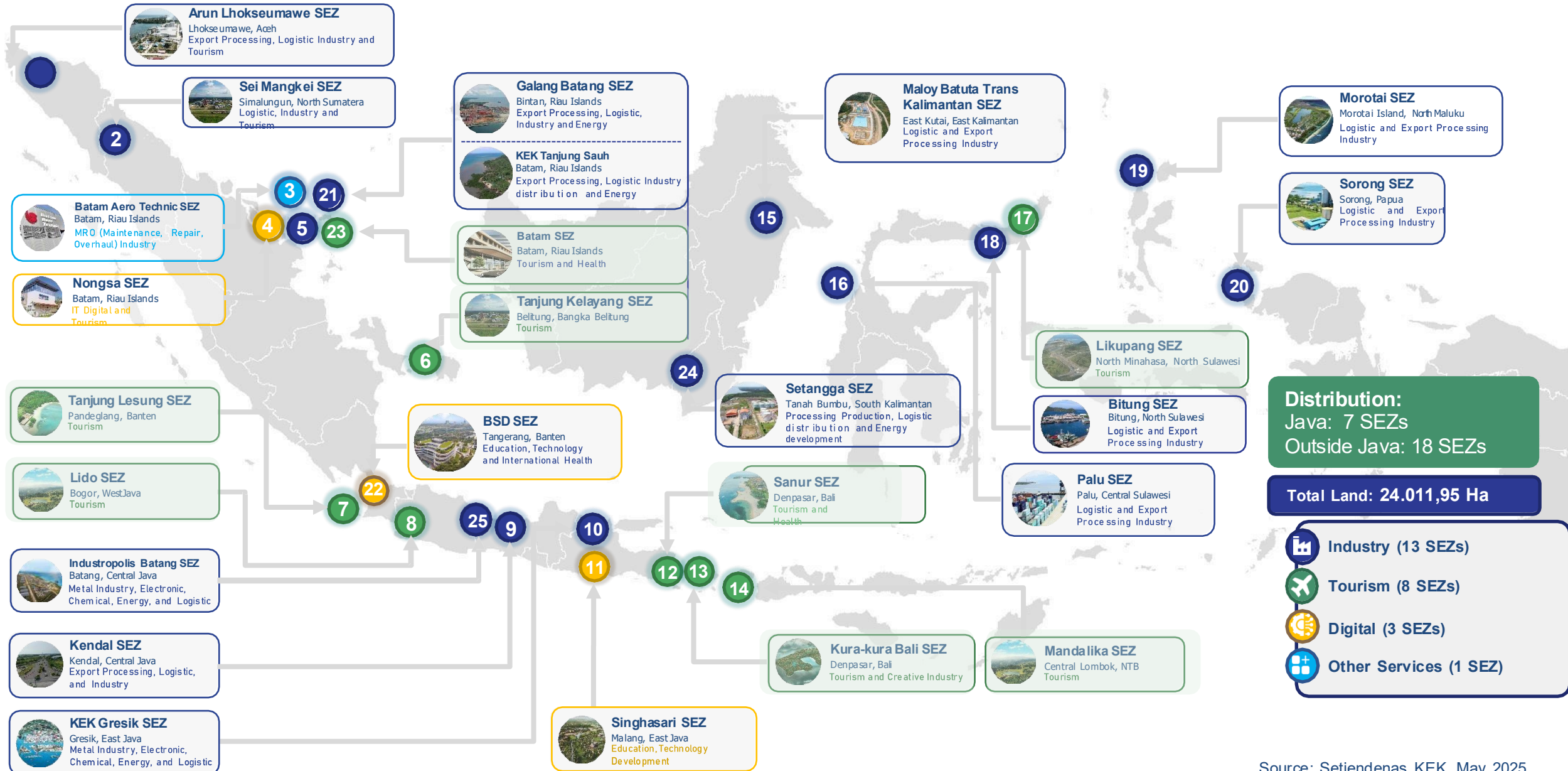
### 18 Pioneer Industries

 Upstream base metal	 Manufacture of irradiation, electromedical equipment	 Shipbuilding main components
 Oil refining	 Manufacture of the main components of electronics	 Manufacture of the main components of the railway
 Oil and gas-based petrochemicals	 Machine component manufacturing	 Manufacture of the main components of the aircraft
 Organic based chemistry	 Manufacture of robotic components	 Processing based on agricultural products, plantations
 Anorganik based chemistry	 Manufacture of the main components of power plants	 Economic infrastructure
 Pharmaceutical raw materials	 Manufacture of motor vehicles	 Digital Economy related to data management & hosting

### Pioneer industry quantitative criteria Appendix A, PMK 130/2020

CRITERIA			SCORE	%
<b>Broad Interrelationship</b>	1.	Filling industrial trees	<b>20</b>	10%
	2.	The main raw materials from within the country		12%
	3.	Import substitution		10%
	4.	Number of similar companies in an area		12%
<b>Value Added</b>	5.	Employing a large workforce	<b>s.d.</b>	10%
	6.	Investment Location		7%
<b>New Technology</b>	7.	Using environmentally friendly technology	<b>100</b>	10%
	8.	Using new technology in production tools		10%
<b>National Scale Industry</b>	9.	Supporting National Strategic Projects		5%
	10.	Production Base		10%
	11.	Build infrastructure facilities independently		4%
<b>TOTAL</b>				<b>100%</b>

# 25 Special Economic Zones (SEZs)



# Incentives for Special Economic Zones in Indonesia

## Fiscal Facilities

### Income Tax (PPh)

#### Tax Holiday

For business entities with main activities in SEZs.

**10**  
YEARS

with a minimum investment of IDR100 Bn

**15**  
YEARS

with a minimum investment of IDR500 Bn

**20**  
YEARS

with a minimum investment of IDR1 Tn

or

Longer loss compensation, but not more than 10 years

#### Tax Allowance

Applied to other activities.



**Net Income Reduction**  
of 30% over 6 years.



**Accelerated Depreciation & Amortization**



**Imposition of a 10% Tax**  
on dividends to foreign taxpayers.

Longer loss compensation, but not more than 10 years

### VAT & Tax on Luxury Goods

#### Entry from TLDDP

- VAT & tax on luxury goods are **not collected**
- Delivery of **Taxable Goods**
- Delivery of **Taxable Services**  
Construction Services Repair Maintenance  
(during the construction process)

### Customs & Excise

#### Capital Goods

- Exemption from **import duty**
- Import VAT **not connected**
- Luxury Tax & Income Tax Article 22 **not collected**

## Non-Fiscal Facilities



#### Foreign Ownership

100% foreign ownership



#### Import Restriction

No restriction on the importation of goods into SEZ



#### Specific for SEZ in Health Sector

Special mechanism related to licensing of drugs and medical device imports



#### One-Stop Service

Conducted by SEZ Administrator



#### Immigration

Visa on Arrival for up to 5 times and limited family stay



#### Land Procurement

Usage rights up to 80 years (HGB up to 80 years)



#### Permits by Administrator

Building and Environmental permit



#### Medical Licensing

Streamlined licensing for medical practitioner in SEZ

# 175 Industrial Estate Companies (IUKI)

## Sumatera (34 IUKI)

Aceh (1) West Sumatra (1)  
 North Sumatra (3) South Sumatra (1)  
 Riau (5) Bangka Belitung (2)  
 Riau Islands (20) Lampung (1)

Total Area: 10,400.08 Ha

## Sulawesi (17 IUKI)

North Sulawesi (1) Southeast Sulawesi (4)  
 Central Sulawesi (9) South Sulawesi (3)

Total Area: 14,404.14 Ha

## Maluku Papua (4 IUKI)

North Maluku (4)

Total Area: 11,808.02 Ha

## Java (104 IUKI)

Banten (19) Central Java (12)  
 DKI Jakarta (2) Yogyakarta (1)  
 West Java (56) East Java (14)

Total Area: 38,940.56 Ha

## Kalimantan (16 IUKI)

West Kalimantan (5) East Kalimantan (2)  
 Central Kalimantan (1) South Kalimantan (7)  
 North Kalimantan (1)

Total Area: 17,458.77 Ha

Distribution :

**Java: 104 IUKI**

**Outside Java: 72 IUKI**

Total Area:

**98,234.88 Ha**

# Golden visa –

Immigration’s solution for Foreigners to Invest and Live in Indonesia for a long Period of Time



**5 – 10 years**  
Residency

## INDONESIAN GOLDEN VISA



**Investment requirement<sup>1</sup>**  
Individual **USD 0.35 – 5 Million**  
Corporate **USD 25 – 50 Million**

## 11 types of golden visas

- 1 Individual investment – set up a company
- 2 Individual Investment – non set up a Company
- 3 Company Investor<sup>2</sup>
- 4 Diaspora – ex Indonesian
- 5 Diaspora – Indonesian descendants
- 6 Second Home
- 7 Global talent
- 8 Personage
- 9 Silver hair
- 10 Company representative
- 11 Company Investor in Ibu Kota Nusantara (IKN) Indonesia<sup>2</sup>

For Individual and Corp. Investor  
Subjects for corporate investment are for Board of Commissioner and dan Board of Directors

# GOLDEN VISA BENEFITS



## The longest stay permit in Indonesia

You can stay up to 5-10 Years, meanwhile other stay permit is only given for 1-2 years



## Bring your family to Indonesia

Your family can get the same benefits as you, and may also apply for the same length of stay



## Priority lane at the immigration Checkpoint

Special lane without queue, and may use *auto gate* in some Immigration Checkpoint



## Seamless Visa and Stay Permit Process

Your stay permit will be issued directly after you enter Indonesia



## Priority service at the Immigration Office

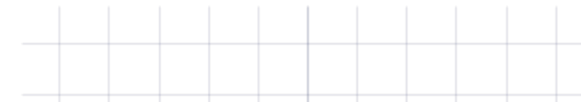
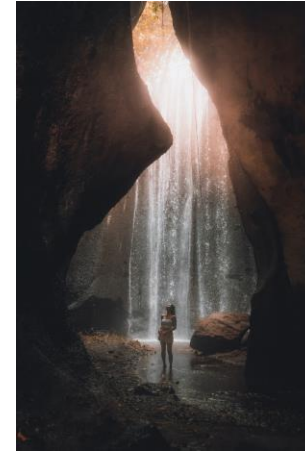
For service such as change of status, change of address, or complaints and suggestions



## Priority services from relevant agencies, and ministries/agencies

Exclusive access for services given by agencies which cooperates with Indonesian Directorate General of Immigration

(example : banks, purchase of bonds, property purchase)





# Setting Up an Indonesian FDI Company

# 5 steps of doing business in Indonesia

MoID/BKPM provides end-to-end services throughout the process, from investors' home countries

## 1. Policy & Regulation Checking

- Consult investment **opportunities and policies** with MoI/ BKPM or Indonesia Investment Promotion Centers (IIPCs)
- Check the Indonesian **“positive investment list”** to identify regulation on foreign ownership, fiscal incentives & partnership.

## 2. Company Establishment

Establish **limited liability** (*Perseroan Terbatas/ PT*) at public notary with minimum 2 shareholders and a minimum paid up capital of IDR2.5 billion (~US\$150,000).

## 3. Business registration & licensing

Through OSS\* ([oss.go.id](http://oss.go.id)):

- Get **Business Registration Number (NIB)**, **Tax ID Number (NPWP)**, & **Healthcare & Social Security (BPJS)**.
- Fulfill **basic requirements** on spatial utilization, environment, & building depending on biz sectors.
- Obtain **standard certificate** or **business license** depending on activity risk.

## 4. Investment Incentives & Facilities

Apply for **tax incentives** and/or **import duty facilities** for eligible business sectors through OSS system.

## 5. Project Construction & Operation

Start project **construction and operation**. Ministry of Investment/BKPM offers **end-to-end services** to assist investors throughout the process.

### Consultation Channels



\*) OSS: Online Single Submission system for investment.  
Note: USD 1 = IDR 15,000.

# General Rules

## Forms of Investment



Foreign investors may undertake research and marketing activities through a Foreign Company Representative Office/ *Kantor Perwakilan Perusahaan Asing* (“**Representative Office**”)

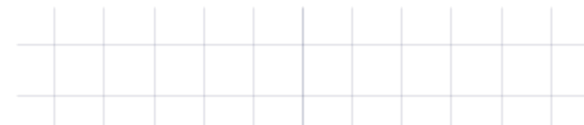
However, investments must generally be done in the form of a Foreign Direct Investment Company/ *Perseroan Terbatas Penanaman Modal Asing* (“**FDI Company**”).

## Compliance to Investment Positive List



Investments must comply to the Investment Positive List (*Daftar Positif Investasi*).

This list provides which businesses (in accordance with the Indonesian Classification of Business Fields code (“**KBLI**”) codes) which are open, open with restricted ownership, and closed for foreign investment.



## Difference of LLC and Representative Office

Indicators	LLC	Representative Office
Purpose	Commercial and Business Activity	Limited to market research
Minimum Investment	±USD 600 Thousand	None
Ability to made invoice	Yes	Restricted
Worker	Depend on the sector and the corporation	Limited to only 3 to 5 staffs
Company leader	Board of Directors supervised by Board of Commissioners	Head of Representative
Obligation to Ministry of Investment	Quarterly report the investment activity	None
Period of Validity of the permit	As long as company active	Yearly need to be renew
Eligible for incentive	If comply with certain criteria	No



# Compliance to Investment Positive List

Indonesia adopted an “**Investment Positive List**” through the issuance of Presidential Regulation No. 10 of 2021 (as amended by Presidential Regulation No. 49 of 2021). In general, the Positive List sets out business fields that are:

- i. prioritized for investment;
- ii. closed for investment; and
- iii. open for investments with restrictions.

For your illustration, we include below a table with examples of business lines (in accordance with the Indonesian Classification of Business Fields code (“**KBLI**”) codes) with investment restrictions:

Status	Examples of Business Lines
<b>Closed for Investment</b>	<ol style="list-style-type: none"><li>1. cultivation and processing of controlled substances;</li><li>2. gambling and/or casino activities;</li><li>3. fishing of species listed in Appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora;</li><li>4. utilization or collection of coral for the purpose of building materials, aquariums, or souvenirs, as well as live or recently dead coral;</li><li>5. chemical weapons manufacturing; and</li><li>6. chemical industry materials and processing of materials that are hazardous to the ozone layer.</li></ol>



# Compliance to Investment Positive List (2)

Status		Examples of Business Lines
<b>Limited Foreign Capital Ownership</b>	Reserved only for 100% Domestic Investment	<ol style="list-style-type: none"> <li>1. KBLI 13134 – Batik Industry</li> <li>2. KBLI 20232 – Traditional Cosmetics Industry</li> <li>3. KBLI 21021 and 21022 – Traditional Medicines and Traditional Medicine Materials Industry</li> </ol>
	Maximum 49% Foreign Investment	<ol style="list-style-type: none"> <li>1. KBLI 53201 – Courier Activities (Last-Mile Delivery)</li> <li>2. KBLI 50131 – Domestic Sea Transportation for General Goods</li> <li>3. KBLI 50142 – International Sea Transportation for Special Goods</li> </ol>
<b>Restrictions relating to Micro, Small, and Medium Enterprises (“MSMEs”)</b>	Reserved only for MSMEs	<ol style="list-style-type: none"> <li>1. KBLI 23932 – Ceramic/Clay-based Houseware Industry</li> <li>2. KBLI 55110 – One-Star Hotels</li> <li>3. KBLI 35111 – Electrical Power Generation for Powerplants &lt; 1 MW</li> </ol>
	Must be undertaken in partnership with MSMEs	<ol style="list-style-type: none"> <li>1. KBLI 20294 – Essential Oils Industry</li> <li>2. KBLI 53202 – Courier Agency</li> <li>3. KBLI 08930 – Production/Extraction of Salts</li> </ol>

# Compliance to Investment Positive List (3)

Status		Examples of Business Lines
<b>Open for Foreign Capital Ownership</b>	Can be 100% owned by foreign investors.	<p>Generally, all business lines which is not listed in the Positive List is open for 100% foreign ownership, such as:</p> <ol style="list-style-type: none"> <li>1. KBLI 29101 – Production of Motor Vehicles with Four or More Wheels Industry</li> <li>2. KBLI 46599 – Wholesale Trading of Miscellaneous Machineries, Tools, and other Accessories</li> <li>3. KBLI 52291 – Freight Forwarding</li> <li>4. KBLI 68111 – Leased or Self-Owned Real Estate</li> <li>5. KBLI 24201 – Production of Valuable Metals</li> </ol>

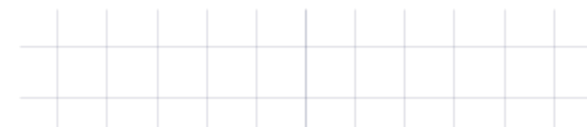


# Business Licensing: OSS-RBA

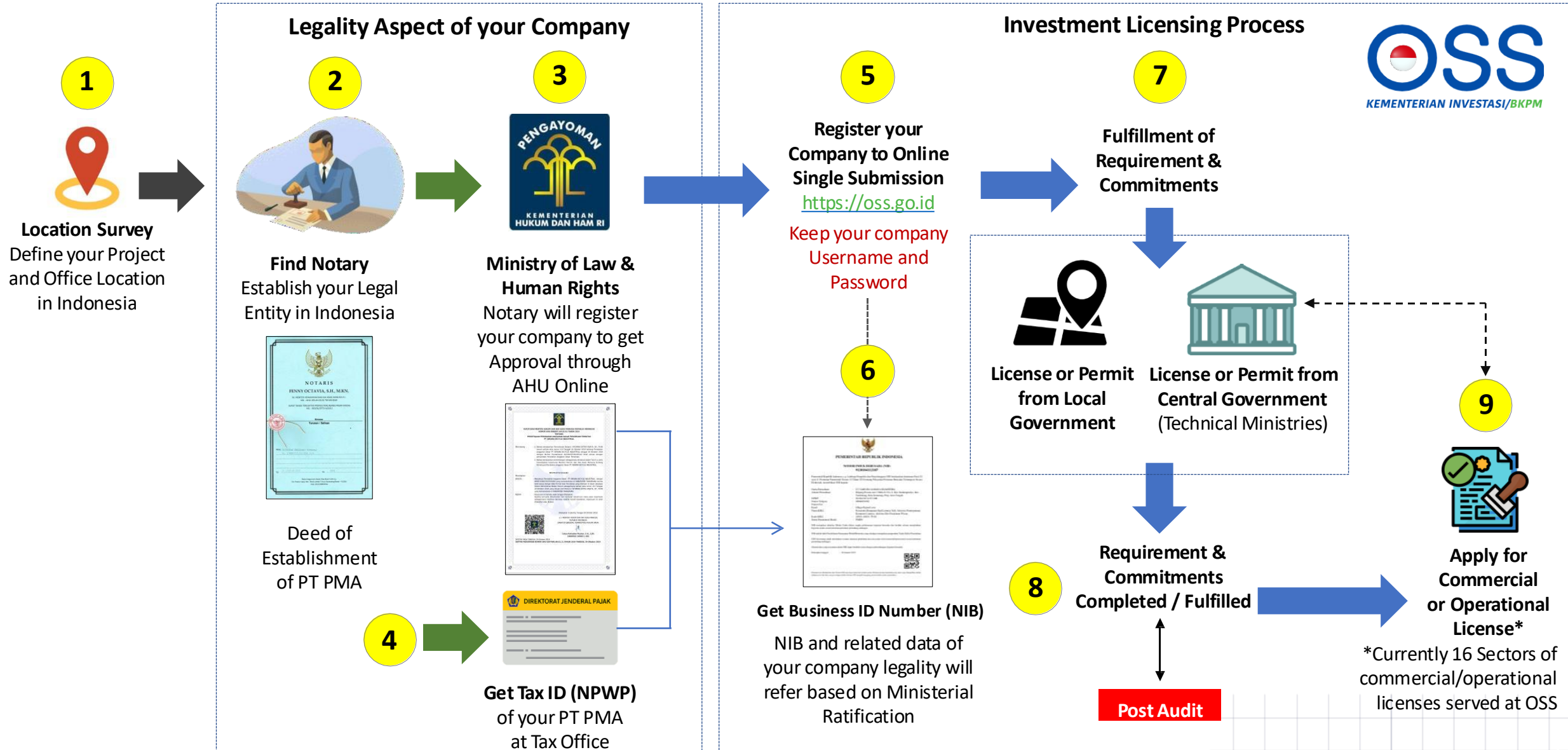
Currently, a majority of business licenses (both basic operational licenses and other various supporting licenses) are undertaken in the Online Single Submission with Risk-Based Approach (**OSS RBA**) system, which was introduced in July 2021.

The FDI Company's line of businesses will be divided into the following risk levels with the following implications:

No.	Risk Level	Implication
1	Low	The FDI Company may begin operations after obtaining an NIB. Please refer to Slide 14 of this presentation for more details on NIB.
2	Medium – Low	The FDI Company would also need to secure a standard certificate in addition to the NIB.
3	Medium – High	For Medium-Low risk businesses, such standard certificate will directly be issued following a self-declaration of compliance. On the other hand, for Medium-High risk businesses, the relevant government body will firstly conduct a site visit to verify the company's compliance to various minimum business standards before issuing the standard certificate.
4	High	The FDI Company would need to secure further business licenses/verifications/permits determined by the relevant government agencies or ministries. This allocation is usually reserved for highly regulated sectors/industries.



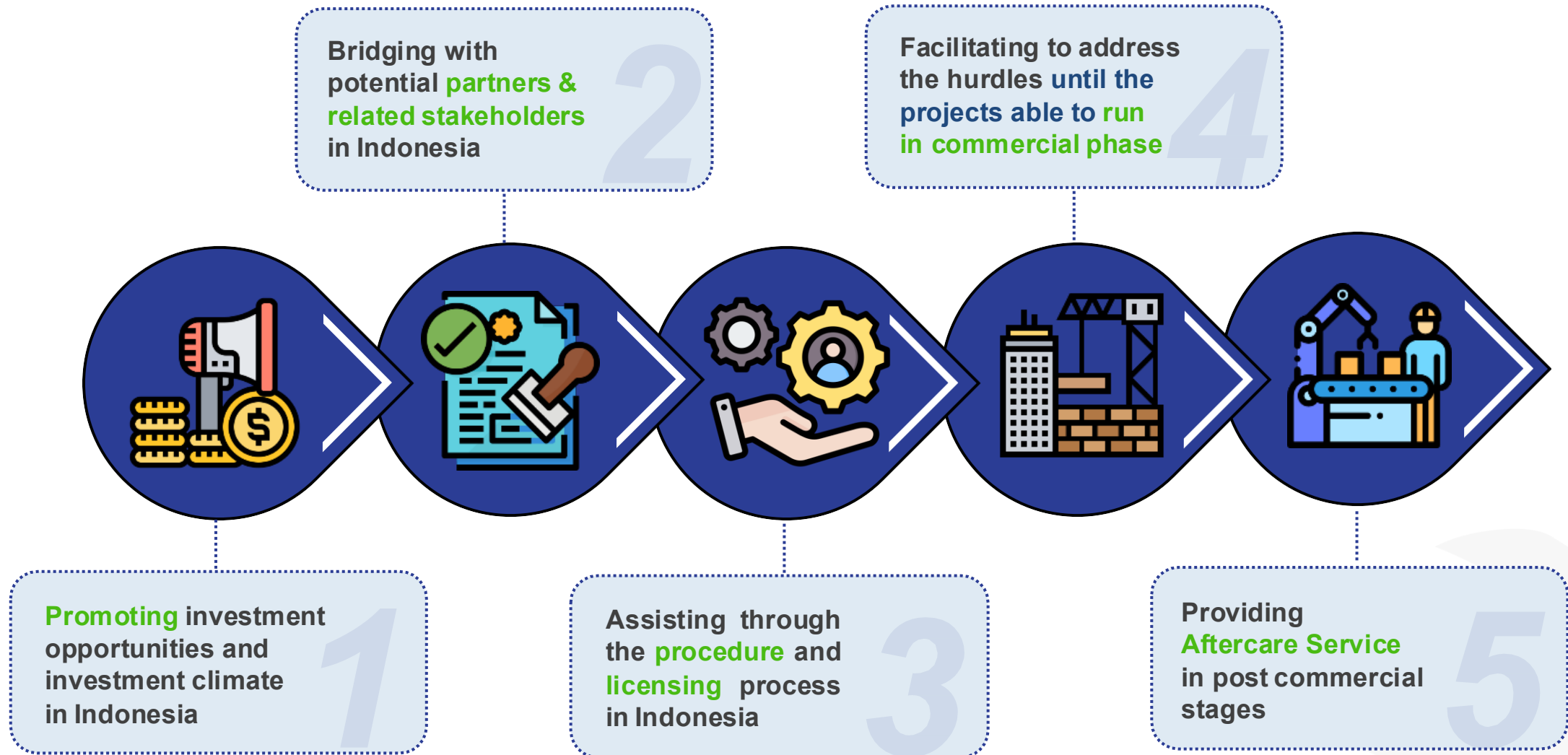
# How to Establish Foreign Legal Entity and Register License in Indonesia

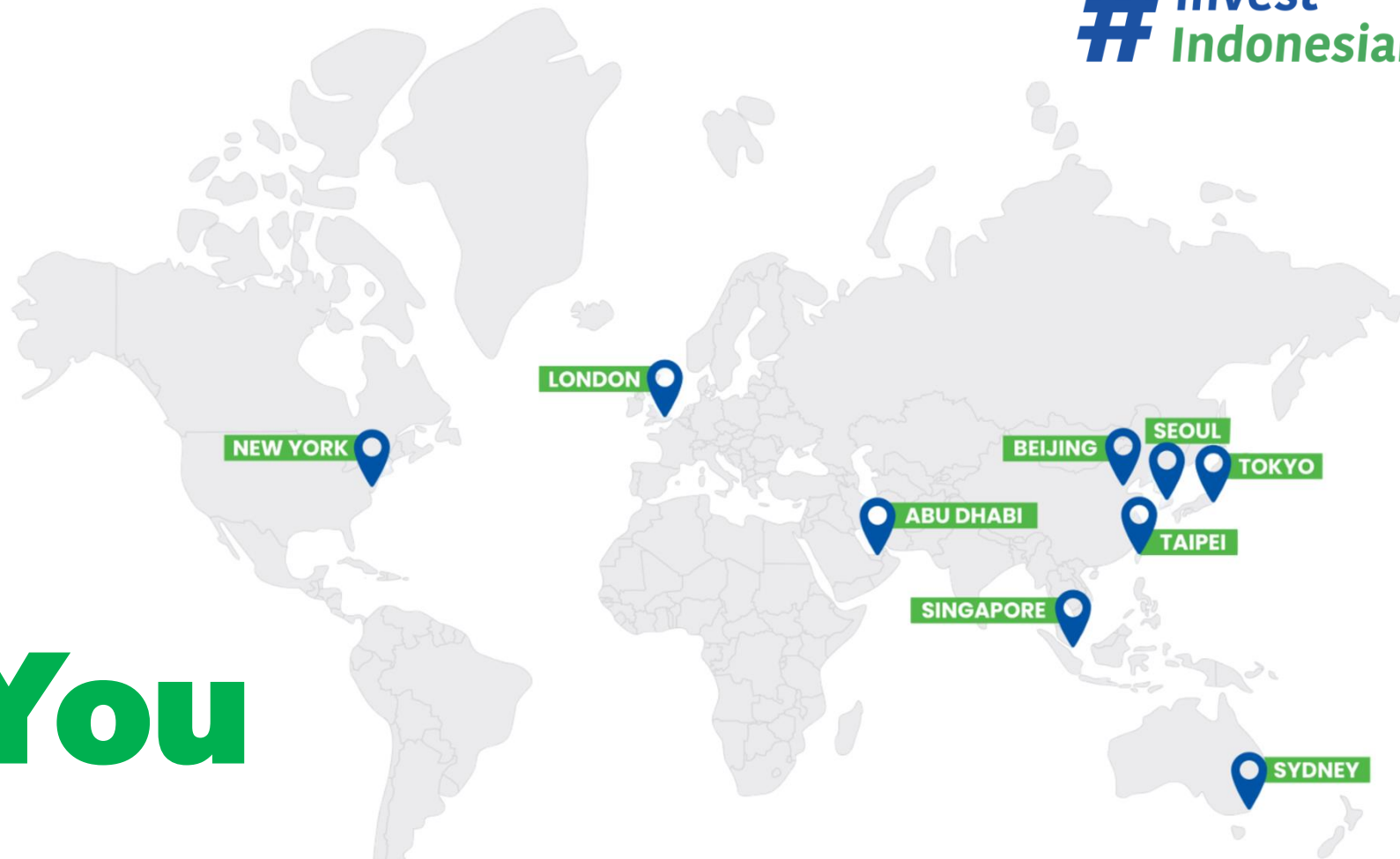




# Ministry of Investment and Downstream Industry/BKPM provides End-to-End Services

From preparation stage until investment realization to production





# Thank You

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