

# PROCEDURE OF ISSUING INDUSTRIAL ESTATE PERMITS AND INDUSTRIAL ESTATE EXPANSION PERMITS

(Regulation of the Industry Minister

No.05/M-IND/PER/2/2014 dated February 13, 2014)

BY THE GRACE OF GOD ALMIGHTY

THE INDUSTRY MINISTER OF

THE REPUBLIC OF INDONESIA,

Considering :

- a. to implement provisions in Article 17 paragraph (3) of Government Regulation No. 24/2009 on Industrial Estates, it is necessary to revise the Procedure of Issuing Industrial Estate Permits and Industrial Estate Expansion Permits;
- b. based on the consideration as referred to in letter a, it is necessary to stipulate Regulation of the Industry Minister on the Procedure of Issuing Industrial Estate Permits and Industrial Estate Expansion Permits;

In view of :

1. Law No. 5/1960 on Basic Regulation on Agrarian Principles (Statute Book of 1960 No. 104, Supplement to Statute Book No. 2043);
2. Law No. 32/2004 on Regional Governments (Statute Book of 2004 No. 125, Supplement to Statute Book No. 4437) as already several times

amended the latest by Law No. 12/ 2008 (Statute Book of 2008 No.59, Supplement to Statute Book No. 4844);

3. Law No. 25/2007 on Investment (Statute Book of 2007 No. 67, Supplement to Statute Book No. 4724);
4. Law No. 26/2007 on Spatial Layout (Statute Book of 2007 No. 68, Supplement to Statute Book No. 4725);
5. Law No. 18/2008 on Garbage Management (Statute Book of 2007 No. 69, Supplement to Statute Book No. 4851);
6. Law No. 20/2008 on Micro Small and Medium Businesses (Statute Book of 2008 No. 93, Supplement to Statute Book No. 4866);
7. Law No. 32/2009 on Environmental Protection and Management (Statute Book of 2009 No. 140, Supplement to Statute Book No. 5059);
8. Law No. 3/2014 on Industry (Statute Book of 2014 No. 4, Supplement to Statute Book No. 5492);
9. Government Regulation No. 17/1986 on the Authority to Control, Promote and Develop Industries (Statute Book of 1986 No. 23 Supplement

- to Statute Book No. 3330);
10. Government Regulation No. 18/1999 on the Management of Hazardous and Toxic Waste (Statute Book of 1999 No. 31, Supplement to Statute Book No. 3815) as already amended by Government Regulation No. 85/1999 (Statute Book of 1999 No. 190, Supplement to Statute Book No. 3910);
  11. Government Regulation No. 38/2007 on the Distribution of Government Affairs among the Government, Provincial Governments and Regency/ Municipal Governments (Statute Book of 2007 No. 82, Supplement to Statute Book No. 4737);
  12. Government Regulation No. 24/2009 on Industrial Estates (Statute Book of 2009 No. 47, Supplement to Statute Book No. 4987);
  13. Government Regulation No. 27/ 2012 on Environmental Permits (Statute Book of 2012 No. 48, Supplement to Statute Book No. 5285);
  14. Presidential Regulation No. 27/ 2009 on Integrated One-Stop Services in the Investment Field;
  15. Presidential Regulation No. 47/ 2009 on the Formation and Organization of State Ministries as already several times amended the latest by Presidential Regulation No. 91/2011;
  16. Presidential Regulation No. 24/2010 on the Position, Task and Function of State Ministries and the Organization al Structure, Task and Function of Echelon I Officials of State Ministries as already several times amended the latest by Presidential Regulation No. 92/ 2011;
  17. Presidential Decree No. 84/P/2009 on the Formation of United Indonesia Cabinet II for the 2009-2014 Term as already several times amended the latest by Presidential Decree No. 60/P/ 2013;
  18. Regulation of the State Environment Minister No. 11/2006 on the Types of Business Plans and/or Activities which must be equipped with Environmental Impact Analysis;
  19. Regulation of the Industry Minister No. 73/M-IND/ PER/7/2009 on the National Team of Industrial Estates as already amended by Regulation of the Industry Minister No. 12/M-IND/PER/2/2011;
  20. Regulation of the Industry Minister No. 147/M-IND/PER/10/2009 on the Delegation of Authority to Issue Industrial Permits, Expansion Permits, Industrial Estate Permits and Industrial Estate Expansion Permits within the Framework of Integrated One-Stop Services (PTSP) to the Head of the Investment Coordinating Board as already amended by Regulation of the Industry Minister No. 16/M-IND/PER/2/2010;
  21. Regulation of the Industry Minister No. 35/M-IND/ PER/3/2010 on Technical Guide to Industrial Estates;
  22. Regulation of the Industry Minister No. 105/M-IND/PER/10/2010 on the Organization and Work Mechanism of the Industry Ministry.

D E C I D E S :

To stipulate :

REGULATION OF THE INDUSTRY MINISTER ON THE PROCEDURE OF ISSUING INDUSTRIAL ESTATE PERMITS AND INDUSTRIAL ESTATE EXPANSION PERMITS.

## CHAPTER I GENERAL PROVISIONS

### Article 1

Referred to in this Ministerial Regulation as:

1. Industrial estate is an area where industrial activities are concentrated, equipped with supporting infrastructures and facilities developed and managed by industrial estate company.
2. Industrial estate company is a company arranging the development and management of industrial estate.
3. Industry designated area is an expanse of land designated for industrial activities based on a spatial layout plan endorsed in conformity with the law and regulation.
4. Expansion of industrial estate is expanding the area of industrial estate in excess of the permitted area of land.
5. Industrial estate managing company is a legal entity set up by virtue of the Indonesian law and domiciled in Indonesia, appointed by and/or receiving the transfer of rights and obligations from special industrial estate company to manage industrial estate partly or wholly.
6. Development of industrial estate is the activity covering the control and maturing of land, the provision of supporting infrastructures and facilities, the preparation of plots and/or ready-for-use factory buildings, and sales and/or rent.
7. Management of industrial estate is the activity covering the operation and/or maintenance of industrial estate supporting infrastructures and facilities including services for industries within industrial estate.
8. Industrial estate infrastructure is infrastructure within industrial estate covering roads, rain waterworks, clean water installations, electrical power distribution installations, telecommunication distribution networks, industrial waste water collecting networks, waste water processing installations, temporary solid waste reservoir, street lighting and fire fighting units. .
9. Industrial estate supporting facility includes management office, bank, post office, telecommunication service office, polyclinic, canteen, place of worship, industrial employee housing complex and dormitory, security post, fitness center, public transport mode stop and other supporting facilities.
10. Industrial estate order is the rule set by industrial estate company, covering the rights and obligations of industrial estate company, industrial estate managing company, and industrial company in the management and utilization of industrial estate.

11. Industry is all forms of economic activities processing raw materials and/or utilizing industrial resources to produce goods which have higher value added or benefit including industrial service.
12. Environmental impact analysis, hereinafter called Amdal, is a study on the significant impact of a planned business and/or activity on the environment, needed to make a decision on the realization of business and/or activity.
13. Environmental management effort and environmental monitoring effort, hereinafter called UKL-UPL, is the effort to manage and monitor businesses and/or activities which have no significant impact on the environment, needed to make a decision on the realization of business and/or activity.
14. Statement of readiness for environmental management and monitoring, hereinafter called SPPL, is a statement of readiness from the management of business and/or activity to manage and monitor the environment over the impact of the environment and effort and/or activity required to have Amdal or UKL-UPL.
15. Environmental impact analysis, hereinafter called Amdal, is a accurate and deep study of significant impact of planned business and/or activity.
16. Environment management plan, hereinafter called RKL, is the effort to handle impacts on the environment as a result of planned business and/or activity.
17. Environment monitoring plan, hereinafter called RPL, is the effort to monitor the components of the environment affected by planned business and/or activity.
18. Significant impact is a fundamental environmental change caused by a business and/or activity.
19. Environmental permit is a permit issued to anybody carrying out business and/or activity required to have Amdal or UKL-UPL to protect and manage the environment as a prerequisite to secure a business and/or activity permit.
20. Integrated one-stop service, hereinafter abbreviated into PTSP, is the activity to provide licensing and non-licensing services by receiving the delegation of authority from institution or agency having licensing and non-licensing authority, with the management process started from the phase of filing applications to the phase of issuing documents in one place.
21. Regional government is governor, regent or mayor and regional apparatus work unit (SKPD) as the organizer of regional government.
22. Industrial estate evaluating team, hereinafter called KI evaluating team is a team set up by governor/regent/mayor to audit the fulfillment and completeness of documents and the operational preparedness of industrial estate.
23. Minister is the minister carrying out government affairs in the industrial field.

## CHAPTER II

## THE AUTHORITY TO ISSUE INDUSTRIAL ESTATE

## PERMITS AND INDUSTRIAL ESTATE

## EXPANSION PERMITS

## Article 2

The Minister, Governor or Regent/Mayor shall facilitate the issuance of industrial estate permits and industrial estate expansion permits.

## Article 3

(1) The authority to issue industrial estate permits and industrial estate expansion permits is in the hands of :

- a. Regent/Mayor for industrial estates located in regency/municipality;
- b. Governor for industrial estates located in more than one regencies/municipalities; or
- c. the Minister for industrial estates located in more than one provinces and industrial estates within the framework of foreign investment and investment using foreign capital, originating from the government of other country, based on an agreement signed by the Indonesian government and governments of other countries.

(2) The authority to issue industrial estate permits and industrial estate expansion permits as referred to in paragraph (1) letter c is delegated to the Head of the Investment Coordinating Board (BKPM) for and on behalf of the Minister.

(3) The authority as referred to in paragraphs (1) and (2) is done in PTSP.

(4) PTSP official receiving the delegation of authority

from Governor/Regent/Mayor shall sign industrial estate permits and industrial estate expansion permits.

(5) If no PTSP is formed, the authority as referred to in paragraphs (3) and (4) shall be realized by the regional apparatus working unit (SKPD) overseeing industry.

## CHAPTER III

## INDUSTRIAL ESTATE PERMITS

## Part One

## Industrial Estate Permits

## Article 4

- (1) Any business activity of industrial estate shall :
- a. hold an industrial estate permit; and
  - b. meet provisions in Technical Guide to Industrial Estates.
- (2) The Technical Guide to Industrial Estates as referred to in paragraph (1) letter b is to be stipulated in a separate regulation of the Minister.

## Article 5

Industrial estate permits are valid provided the industrial estate company is still engaged in the operation of industrial estate.

## Article 6

- (1) The industrial estate permits as referred to in Article 4 paragraph (1) letter a are issued to industrial estate companies in the form of legal entities established based on the Indonesian law and

domiciled in Indonesia.

- (2) The Industrial estate companies as referred to in paragraph (1) can be in the form of :
- a. state-owned company (BUMN) or regional government-owned company (BUMD);
  - b. cooperatives; or
  - c. private business companies.
- (3) Industrial estate companies as referred to in paragraph (1) shall manage industrial estate.
- (4) The obligation to carry out the management of industrial estate as referred to in paragraph (1) can be diverted to other party to carry out the management of industrial estates. .

#### Article 7

- (1) Industrial estate company shall provide a minimum of 2% (two percent) of the overall industrial plots for micro small and medium businesses.
- (2) If within 2 (two) years micro small and medium businesses do not use the industrial land as referred to in paragraph (1) other industrial companies can use it on condition land for the other industrial companies are no longer available.

#### Article 8

- (1) In deciding a spatial layout plan, provincial governments and regency/municipal governments shall provide industry-designated land for the development of industrial estates.
- (2) Governors and regents/mayors shall inform the Minister of industry-designated land according to

their respective spatial layout plan as referred to in paragraph (1).

- (3) The notification as referred to in paragraph (2) shall be sent no later than 1 (one) month after bylaw is stipulated using the form model PIK-X.

#### Part Two

#### Procedure of Issuing Industrial Estate Permits

#### Article 9

To secure the industrial estate permits as referred to in Article 4 paragraph (1) letter a applicants shall hold in-principle permits in conformity with the law and regulation.

#### Article 10

- (1) Applications for in-principle permits shall be filed using form model PMK-I, complete with the following documents:
- a. a photocopy of deed of incorporation validated by the Law and Human Rights Minister or by the minister conducting government affairs in the field of cooperatives for applicants with status as cooperatives and especially for foreign investment the applications shall be complete with qualifications set by the Head of BKPM;
  - b. a photocopy of taxpayer code number (NPWP), except foreign investment;
  - c. sketch of planned location (village, sub-district, regency/municipality, province); and
  - d. a written statement that planned location

is in industry-designated land in conformity with the spatial layout plan.

- (2) If the applications for in-principle approval as referred to in paragraph (1) are complete and correct, no later than 5 (five) working days after receiving the applications, the official as referred to in Article 3 paragraph (1) or (2) according to his/her authority shall issue in-principle approval using form model PIK-I, with copies addressed to the Minister and Governor/Regent/Mayor.
- (3) If the applications for in-principle as referred to in paragraph (1) are not complete and correct, no later than 5 (five) working days after receiving the applications, the official as referred to in Article 3 paragraph (1) or (2) according to his/her authority shall return the applications to be completed.

Article 11

- (1) Industrial estate companies that have secured in-principle approval no later than 2 (two) years shall
  - a. have a nuance permit;
  - b. have a location permit
  - c. provide/control land according to the law and regulation;
  - d. hold an environmental permit;
  - e. make a land site plan;
  - f. clear land;
  - g. realize the planning and construction of supporting infrastructures and facilities and fit installations/equipment needed by industrial estate;

- h. have industrial estate public order; and
- i. provide land for micro small and medium businesses.

- (2) Industrial estate companies that have not met/ do not meet the obligation as referred to in paragraph (1), can apply for extended in-principle approval once within a period of no more than 2 (two) years.
- (3) Industrial estate companies that have secured extended in-principle approval as referred to in paragraph (2), and do not meet the obligation as referred to in paragraph (1) shall not be given an industrial estate permit.
- (4) Industrial estate companies that have secured in-principle approval shall submit a progress report on the development of industrial estates every 6 (six) months no later than January 31st in the ensuing year to the authorized official as referred to in Article 3 paragraphs (1) and (2) using form model PMK-II, with copies addressed to the Minister and Governor/Regent/Mayor.
- (5) At the time the construction of industrial estates starts, industrial estate companies can file an application for the import of equipment and materials for physical construction and pollution control according to the law and regulation.

Article 12

- (1) Industrial estate permits are issued to industrial estate companies that meet the following conditions:

- a. filling an application form for industrial estate permit using model PMK-III and enclosing a latest progress report on the construction of industrial estate using form model PMK-II;
- b. fulfilling the requirement as referred to in Article 11 paragraph (1);
- c. fulfilling provisions on technical guide to industrial estate;
- d. part of industrial estate is ready for operation at least having supporting infrastructures and facilities covering entrance road to industrial estate, road networks and rain waterworks in industrial estate and waste water treatment installation for industrial estate, management office; and
- e. KI evaluating team has made an official report of field audit (BAP) stating that the relevant company can be given an industrial estate permit.

(2) Industrial estate companies that have secured industrial estate permits shall complete the construction of complete supporting infrastructures and facilities as referred to in Article 1 points 8 and 9.

**Article 13**

- (1) Industrial estate order as referred to in Article 11 paragraph (1) letter h shall at least contain main materials as follows :
  - a. provisions in the relevant law and regulation that must be complied with by industrial es-

- tate company and/or each industrial company;
- b. rights and obligations of industrial estate company;
- c. rights and obligations of industrial company;
- d. rules related to the Amdal study of industrial estate; and
- e. other specific rules related to the plan of industrial estate company with the relevant industrial businesses.

(2) The content of industrial estate order as referred to in paragraph (1) shall at least cover the main materials as follows:

- a. introduction;
- b. purpose and aim;
- c. explanations on the terms used;
- d. types of industries that can operate in the industrial estate and qualifications;
- e. supporting infrastructures and facilities made available in the industrial estate;
- f. scope of services provided by the industrial estate;
- g. rights and obligations of the industrial estate company or other company appointed as the operator of the industrial estate;
- h. rights and obligations of industrial company;
- i. regulation on industrial buildings; and
- j. environmental impact control according to Amdal.

(3) Details of main materials as referred to in paragraph (2) are contained in Attachment 1 which is

an integral part of this Ministerial Regulation.

- (4) The industrial estate order as referred to in paragraph (1) is an integral part of the agreement on the management of industrial estate and the use of land between the industrial estate managing company/industrial estate company and industrial companies.

#### Article 14

- (1) Several industrial companies carrying out industrial activities before the coming into force of Government Regulation No. 24/2009 on Industrial Estates on their land covering an area of at least 20 (twenty) hectares in one expanse in an industry-designated area to become an industrial estate shall have :

- a. environmental permit;
- b. deed of incorporation as industrial estate complete with a letter of approval from industrial companies;
- c. taxpayer code number (NPWP);
- d. location sketch (village, sub-district, regency/municipality, province);
- e. written statement that the location is industry-designated area in conformity with the spatial layout plan;
- f. industrial estate sketch;
- g. industrial estate order; and
- h. KI evaluating team has made an official report of field audit (BAP).

- (2) Applications for industrial estate permits for in-

dustrial estate as referred to in paragraph (1) are filed without in-principle approval by filling form model PMK-IV complete with :

- a. a photocopy of documents as referred to in paragraph (1) letters a up to f; and
- b. original documents as referred to in paragraph (1) letters g and h.

#### Article 15

- (1) No later than 5 (five) working days after receiving applications for industrial estate permits as referred to in Article 12 paragraph (1) letter a and the conditions as referred to in Article 12 paragraph (1) letters b up to e or provisions in Article 14 paragraph (2) have been met, the KI evaluating team has completed a location audit of industrial estate to ensure the operational preparedness of the industrial estate.
- (2) The result of audit as referred to in paragraph (1) put in the official report of audit (BAP) using form model PIK-II no later than 3 (three) working days shall be conveyed to the official as referred to in Article 3 paragraph (1) or (2) according to his/her authority.
- (3) If the result of audit as referred to in paragraph (2) recommends the issuance of permit, the official as referred to in Article 3 paragraph (1) or (2) no later than 5 (five) working days after receiving BAP shall issue an industrial estate permit using form model PIK-III.

Article 16

- (1) The KI evaluating team as referred to in Article 12 paragraph (1) letter e is set up by governor/regent/mayor.
- (2) The KI evaluating team as referred to in paragraph (1) is made up of elements of regional apparatus task force (SKPD) responsible for :
  - a. industry;
  - b. agrarian affairs;
  - c. layout;
  - d. environmental protection and management; and
  - e. relevant agencies.
- (3) The membership of the KI evaluating team as referred to in paragraph (2) also includes elements from the directorate general in charge of industrial estates.
- (4) The work mechanism of KI evaluating team as referred to in paragraph (1) is contained in Attachment III which is an integral part of this Ministerial Regulation.

CHAPTER IV

INDUSTRIAL ESTATE EXPANSION PERMITS

Part One

Industrial Estate Expansion Permits

Article 17

- (1) Any industrial estate company that has held an industrial estate permit and has operated and will expand industrial estate shall secure an industrial estate expansion permit.

- (2) The expansion of industrial estate located in one regency/municipality does not require in-principle approval.

Article 18

Industrial estate expansion permit is issued if industrial estate company has secured an industrial estate permit on condition :

- a. the industrial estate company holds an environmental permit for expanded industrial estate;
- b. the industrial estate company holds an expanded location permit;
- c. the land designed as expanded area has been controlled, evident from a certificate of abandoned right (SPH); and
- d. the land is located in industry-designated area.

Part Two

Procedure of Issuing Industrial Estate Expansion Permits

Article 19

- (1) Application for industrial estate expansion permit is filed using form model PMK-V.
- (2) The application for industrial estate expansion permit as referred to in paragraph (1) is filed to the authorized official as referred to in Article 3 paragraph (1) or (2) complete with location permit, with copies addressed to the Minister and Governor/Regent/Mayor.
- (3) No later than 5 (five) working days after receiving the application for industrial estate expansion

permit, the KI evaluating team shall complete a location audit of industrial estate to ensure that the industrial estate has met provisions in Article 18.

- (4) The result of audit as referred to in paragraph (3) put in the official report of audit (BAP) using form model PIK-II no later than 3 (three) working days has been submitted to the authorized official as referred to in Article 3 paragraph (1) or (2) according to his/her authority.
- (5) If the result of audit as referred to in paragraph (4) approves the issuance of permit, the authorized official as referred to in Article 3 paragraph (1) or (2) no later than 5 (five) working days after the signing of BAP shall issue an industrial estate expansion permit using form model PIK-IV with copies addressed to the Minister, the Head of the Investment Coordinating Board and Governor/Regent/Mayor.

#### CHAPTER V

##### POSTPONEMENT/REJECTION OF APPLICATIONS

##### FOR INDUSTRIAL ESTATE PERMITS AND INDUSTRIAL ESTATE EXPANSION PERMITS

#### Article 20

- (1) If an application for an industrial estate permit or industrial estate expansion permit does not meet provisions as referred to in Article 12 paragraph (1), Article 14 and Article 18, the authorized official as referred to in Article 3 paragraph (1) or (2), no later than 5 (five) work-

ing days after receiving an official report of audit (BAP), shall issue a letter of postponement along with reasons for the postponement using form model PIK-V.

- (2) In connection with the letter of postponement as referred to in paragraph (1), the industrial estate company is given a chance to complete requirements no later than 6 (six) months after the letter of postponement is signed.
- (3) If after the period of time as referred to in paragraph (1) has passed the industrial estate company has not met provisions as referred to in Article 12 paragraph (1), Article 14, and Article 18, the authorized official as referred to in Article 3 paragraph (1) or (2) shall reject the application for industrial estate permit or industrial estate expansion permit using form model PIK-VI.

#### CHAPTER VI

##### RIGHTS AND OBLIGATIONS OF INDUSTRIAL ESTATE COMPANIES

#### Article 21

- (1) Industrial estate company can sell or rent industrial plots and/or industrial buildings in industrial estate to industrial companies.
- (2) The sales of industrial plots and/or industrial buildings as referred to paragraph (1) shall be registered with the local Land Office.
- (3) Industrial estate company is entitled to recompenses/income from the operation of industrial estate for activities including :

- a. the sales/rent of industrial plots or industrial buildings;
- b. the operation and maintenance of supporting infrastructures and facilities;
- c. the safeguarding of industrial estate; and
- d. the provision of information services.

Article 22

Any industrial estate company that holds an industrial estate permit and/or industrial estate expansion permit shall :

- a. help arrange any application for industrial estate permit/industrial registration number for industrial companies operating in the industrial estate;
- b. comply with provisions in RKL and RPL already approved by the provincial or regency/municipal government;
- c. enforce industrial estate order to industrial companies operating in the industrial estate;
- d. convey data of industrial estate twice a year using forms model PMK-VI and model PMK-VII to the authorized official as referred to in Article 3 paragraph (1) or (2) in accordance with its industrial estate permit, with copies addressed to the Minister and Governor/Regent/Mayor with regard to the business activities of the industrial estate according to the schedule as follows:
  - 1. data in the first semester of the relevant year shall be submitted no later than July 31; and
  - 2. annual data shall be submitted every January 31st of the ensuing year at the latest;

- e. make efforts related to occupational security and safety in the industrial estate.

CHAPTER VII

TRANSFER OF THE MANAGEMENT OF INDUSTRIAL ESTATES

Article 23

- (1) Industrial estate company that holds an industrial estate permit and has operated can transfer the management of industrial estate to a company appointed as the management of industrial estate so that the rights and obligations to manage the industrial estate moves to the company partly or wholly based on a written agreement on the transfer of the management of industrial estate between both sides.
- (2) The transfer of the management of industrial estate will be realized if industrial estate company has met the following conditions:
  - a. holding an industrial estate permit;
  - b. having signed an agreement on the transfer of the management of industrial estate between industrial estate company and industrial estate managing company; and
  - c. industrial plots whose management will be transferred have obtained a right to build (HGB).
- (3) To manage industrial estate, industrial estate company shall meet licensing provisions.
- (4) The validity period of agreement on the transfer of the management of industrial estate is based

on the agreement signed.

(5) The agreement on the transfer of the management of industrial estate as referred to in paragraph (1) shall cover at least the following activities:

- a. complying with the conditions and obligations set forth in the environmental permit of industrial estate according to the law and regulation;
- b. enforcing industrial estate order to industrial companies operating in the industrial estate;
- c. operating and maintaining supporting infrastructures and facilities;
- d. arranging security in the industrial estate; and
- e. providing information services.

(6) Industrial estate managing company is entitled to recompenses/income received from the management of industrial estate.

#### Article 24

(1) The transfer of the management of industrial estate to other party as referred to in Article 23 shall be notified to the party granting the industrial estate permit.

(2) The transfer of the management of industrial estate as referred to in paragraph (1) is realized using form model PMK-IX, with copies addressed to the Minister and Governor/Regent/Mayor.

#### Article 25

The agreement on the transfer of the manage-

ment of industrial estate as referred to in Article 24 paragraph (1) does not reduce the responsibility of industrial estate company for the management of industrial estate according to its industrial estate permit.

### CHAPTER VIII

#### ISSUANCE OF INDUSTRIAL PERMITS IN INDUSTRIAL ESTATE

##### Article 26

Industrial permits are issued to industrial companies operating in industrial estate based on the Ministerial Regulation on the issuance of industrial permits, expansion permits and industrial registration numbers.

##### Article 27

(1) Industrial company which manages or utilizes hazardous and toxic waste in industrial estate which holds Amdal document and covers the management of hazardous and toxic waste shall draw up UKL and UPL.

(2) Industrial company which manages or utilizes hazardous and toxic waste in industrial estate which holds Amdal document but does not cover the management of hazardous and toxic water shall draw up Amdal.

(3) Industrial company in industrial estate which has no significant impact and/or can manage significant impact technologically shall draw up UKL and UPL by observing RKL and RPL for industrial estate.

- (4) Industrial company which has an environment impact outside provisions on impact as referred to in paragraph (3) shall make a written statement of readiness to manage and monitor the environment.
- (5) Industrial company in industrial estate, in addition to fulfilling the obligations as referred to in paragraphs (3) and (4), shall implement provisions in the industrial estate order made based on provisions as referred to in Article 13.

#### Article 28

- (1) Industrial company in industrial estate is excepted from :
- a. nuance permit;
  - b. location permit;
  - c. approval of site plan; and
  - d. Amdal for industrial company which does not manage or utilize hazardous and toxic waste.
- (2) Industrial company in industrial estate shall settle other licenses according to the law and regulation, and complete the construction of factory buildings and production facilities no later than 4 (four) years after the certificate of land purchase has been issued.
- (3) The readiness to settle the licensing as referred to in paragraph (2) is realized by making a written statement using form model PMK-VIII.

#### CHAPTER IX

### WARNING, FREEZING AND REVOCATION OF

### INDUSTRIAL ESTATE PERMITS AND INDUSTRIAL ESTATE EXPANSION PERMITS

#### Article 29

- (1) Industrial estate company will be given a written warning if it meets one of the provisions as follows:
- a. the industrial estate company conducts expansion without holding an industrial estate expansion permit;
  - b. the industrial estate company does not submit data of industrial estate as referred to in Article 22 letter d, 3 (three) times in a row or deliberately submits wrong data;
  - c. the industrial company carries out business activities which do not accord with provisions set forth in the permit already secured;
  - d. industrial estate company causes damage and/or pollution to the environment which does not accord with the Amdal document;
  - e. provisions in the industrial estate permit and/or industrial estate expansion permit as well as technical guide to developing industrial estate as referred to in Article 12 paragraph (1) are not met; and
  - f. the construction of complete industrial estate supporting infrastructures and facilities as referred to in Article 12 paragraph (2) is not completed.
- (2) The written warning/reprimand as referred to in paragraph (1) is issued 3 (three) times in a row

with a time span of 2 (two) months each using form model PIK-VII.

- (3) If after the period of written warning as referred to paragraph (2) has passed the industrial estate company has not made/cannot make improvement according to provisions, its business permit shall be frozen by a decision on the freezing of industrial estate permit and/or industrial estate expansion permit using form model PIK-VIII.
- (4) The freezing as referred to in paragraph (3) is valid for 6 (six) months since the decision on the freezing of business permit is issued.
- (5) If during the period of freezing industrial estate company that has its permit frozen as referred to in paragraph (3) makes improvements according to the law and regulation, the decision on the freezing of business permit can be revoked/cancelled.
- (6) If during the period of freezing as referred to in paragraph (4) industrial estate company does not make improvements, the industrial estate permit and/or industrial estate expansion permit shall be revoked and declared null and void using form model PIK-IX.
- (7) The authority to issue written warning, freeze and/or revoke industrial estate permit and/or industrial estate expansion permit as referred to in paragraphs (1), (2), and (6) is in the hand of the official authorized to issue the permits according to the authority as referred to in Article 3 paragraphs (1) or (2).

## CHAPTER X

### REALIZATION

#### Article 30

In issuing industrial estate permits and/or industrial estate expansion permits that become the authority of province, Governor shall make an effort to :

- a. coordinate the issuance of industrial estate permits and/or industrial estate expansion permits among regional apparatus task forces (SKPD) in the province and among regencies/municipalities;
- b. strengthen institutional capacity and human resources in the issuance of industrial estate permits and/or industrial estate expansion permits in the province;
- c. provide facilities and infrastructures needed to issue industrial estate permits and/or industrial estate expansion permits in the province.

#### Article 31

In issuing industrial estate permits and/or industrial estate expansion permits that become the authority of regency/municipality, regent or mayor shall make an effort to :

- a. coordinate the issuance of industrial estate permits and/or industrial estate expansion permits among regional apparatus task forces (SKPD) in the regency/municipality;
- b. strengthen institutional capacity and human resources in the issuance of industrial estate permits and/or industrial estate expansion permits in the regency/municipality;

- c. provide facilities and infrastructures needed to issue industrial estate permits and/or industrial estate expansion permits in the regency/municipality.

## CHAPTER XI

### MONITORING AND EVALUATION

#### Article 32

- (1) To ensure the continuation of synergy and the effectiveness of integrated steps in issuing industrial estate permits and/or industrial estate expansion permits, provincial and regency/municipal governments shall conduct monitoring.
- (2) The monitoring as referred to in paragraph (1) is intended to see developments and obstacles in the issuance of industrial estate permits and/or industrial estate expansion permits.
- (3) Monitoring is conducted periodically through coordination and direct monitoring of the regional apparatus tasks force (SKPD) that issues industrial estate permits and/or industrial estate expansion permits.
- (4) Monitoring is conducted starting from planning to issuance of industrial estate permits and/or industrial estate expansion permits.

#### Article 33

- (1) The issuance of industrial estate permits and/or industrial estate expansion permits shall be evaluated at least once a year.
- (2) The results of evaluation of the issuance of in-

dustrial estate permits and/or industrial estate expansion permits are used as inputs to revise the policy of issuing industrial estate permits and/or industrial estate expansion permits.

#### Article 34

- (1) Governor shall monitor and evaluate the issuance of industrial estate permits and/or industrial estate expansion permits done by the regional apparatus task force (SKPD) in the province.
- (2) Regent/mayor shall monitor and evaluate the issuance of industrial estate permits and/or industrial estate expansion permits done by the regional apparatus task force (SKPD) in the regency/municipality.

#### Article 35

- (1) To ensure synergy and effectiveness, monitoring and evaluation can be done jointly and/or integrately.
- (2) Joint monitoring and evaluation which become the authority of the government are conducted by the ministry in charge of carrying out government affairs in the industrial field and relevant ministries.
- (3) Joint monitoring and evaluation which become the authority of province are conducted by the regional apparatus task force (SKPD) overseeing industrial affairs and relevant agencies.
- (4) Joint monitoring and evaluation which become the authority of regency/municipality are conducted

by the regional apparatus task force (SKPD) overseeing industrial affairs and relevant agencies.

## CHAPTER XII

### REPORTING

#### Article 36

- (1) Governor shall submit a report on the issuance of industrial estate permits and/or industrial estate expansion permits in the province to the Home Affairs Minister and the Minister
- (2) Regent/Mayor shall submit a report on the issuance of industrial estate permits and/or industrial estate expansion permits in the regency/municipality to the governor.
- (3) The reporting as referred to in paragraphs (1) and (2) shall be done every year and/or if needed.

## CHAPTER XIII

### DEVELOPMENT AND SUPERVISION

#### Article 37

- (1) The Minister shall develop and supervise the issuance of industrial estate permits and/or industrial estate expansion permits done by provincial governments.
- (2) Governor shall develop and supervise the issuance of industrial estate permits and/or industrial estate expansion permits done by provincial governments done by regency/municipal governments.
- (3) The development and supervision are conducted

according to the law and regulation.

## CHAPTER XIV

### OTHER PROVISIONS

#### Article 38

Any change in the name, address, and/or contact person of industrial estate company shall be notified in writing to the official authorized to issue the permit based on this Ministerial Regulation no later than 1 (one) month after the change has been made.

#### Article 39

Applications for industrial estate permits and/or industrial estate expansion permits are exempt from fees.

#### Article 40

- (1) The models of forms used to implement this Ministerial Regulation are contained in Attachment II which is an integral part of this Ministerial Regulation.
- (2) The letter head and copies of the models of forms as referred to in paragraph (1) are adjusted to the authority of the authorized official.

#### Article 41

The flow diagram of the procedure of issuing industrial estate permits and/or industrial estate expansion permits used to implement this Ministerial Regulation is contained in Attachment IV which is an integral part of this Ministerial Regulation.

CHAPTER XV  
TRANSITIONAL PROVISIONS

Article 42

- (1) In-principle approval held by industrial estate company before this Ministerial Regulation took effect shall remain valid as one of the phases to secure an industrial estate permit based on this Ministerial Regulation.
- (2) Permanent industrial estate permit/industrial estate permit and/or industrial estate expansion permit held by industrial estate company before this Ministerial Regulation took effect shall remain valid as an industrial estate permit according to this Ministerial Regulation.

CHAPTER XVI

CONCLUSION

Article 43

With the coming into force of this Ministerial Regulation, all provisions on industrial estates and industrial companies operating in industrial estates shall remain valid, provided they do not contradict and have not been replaced based on this Ministerial Regulation.

Article 44

When this Ministerial Regulation begins to take effect:

- a. Decree of the Industry and Trade Minister No. 50/MPP/Kep/2/1997 on the Procedure of Issuing Industrial Estate Permits and Industrial Estate Expansion Permits, provided they are related to industrial estate permits, industrial estate expansion permits, and industrial estate orders;
- b. Decree of the Industry and Trade Minister No. 78/MPP/Kep/3/2001 on Guide to Minimum Service Standard (PSPM) in the Industrial and Trade Field as already amended by Decree of the Industry and Trade Minister No. 263/MPP/Kep/8/2001, provided they are related to industrial estate permits and industrial estate expansion permits; and
- c. Circular of the Industry Minister No. 882/ M-IND/9/2007 dated September 19, 2007 to Governors/Regents/Mayors; are revoked and declared null and void.

Article 45

This Ministerial Regulation shall begin to take effect on the date of promulgation.

For public cognizance, this Ministerial Regulation shall be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On February 13, 2014

THE INDUSTRY MINISTER OF  
THE REPUBLIC OF INDONESIA,

sgd.

MOHAMAD S. HIDAYAT

Promulgated in Jakarta

On February 17, 2014

THE LAW AND HUMAN RIGHTS MINISTER  
OF THE REPUBLIK INDONESIA,

sgd.

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA  
OF 2014 NO. 224

Editor's Notes :

- Attachments are not carried for technical reasons.

(S)