

Client Alert

July 2018

The OSS system is launched, but some licenses are still under BKPM

In early July we issued a client alert about President Jokowi issuing Government Regulation No. 24 of 2018 on Electronic Integrated Business Licensing Services ("**Regulation 24**") which caused the Capital Investment Coordinating Board ("**BKPM**") to temporarily suspend the processing and issuing of licenses as a transition to a nationwide business licenses process through an Online Single Submission ("**OSS**") system (click [here](#)). The Coordinating Ministry for Economic Affairs ("**CMEA**") finally launched the OSS system through www.oss.go.id at the beginning of this week. As expected, we understand that some delays and intricacies were found when people tried to access the OSS system.

OSS System

On 9 July, the CMEA website issued a press release about the launch of the OSS system, with guidelines for accessing the OSS system attached. The guideline can be downloaded at www.oss.go.id.

To be able to access the OSS system, business owners are first required to create and activate their OSS account at www.oss.go.id. Some information is required to be input in order to create an OSS account. Once the OSS account is created, a direct link email will be sent to the business owners to activate the OSS account. Once the OSS account is activated, the business owners will receive a user-ID and password, which will be used to log in to the OSS system.

We have not yet had experience of getting licenses through the OSS system. As mentioned above, we understand that some applicants experienced delays and intricacies when trying to access the OSS system. We expect that this may still happen until next week.

Licenses still under BKPM

On 10 July, BKPM announced that BKPM's One Stop Integrated Services (PTSP-BKPM) are still open as usual to serve business owners that need information, assistance and consultation, including assistance in explaining business licensing application procedures through the OSS system. The announcement also includes confirmation that PTSP-BKPM is still processing and issuing licenses that are not yet regulated in Regulation 24. A list of the licenses is attached in the announcement and are as follows:

No	Sector	Types of Licenses
1.	Energy and Mineral Resources	Electricity Subsector: 1. Geothermal license (<i>izin panas bumi</i>) 2. Geothermal support business approval (<i>persetujuan usaha</i>

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No	Sector	Types of Licenses
		<p><i>penunjang panas bumi</i>)</p> <p>Oil and Gas Subsector:</p> <ol style="list-style-type: none"> 1. License for utilization of oil and gas data (<i>izin pemanfaatan data minyak dan gas bumi</i>) 2. Survey license (<i>izin survey</i>) 3. Oil and gas storage business license (temporary license/permanent license) (<i>izin usaha penyimpanan minyak dan gas bumi (izin sementara/izin tetap)</i>) 4. Oil and gas processing business license (<i>izin usaha pengolahan minyak dan gas bumi (izin sementara/izin tetap)</i>) 5. Oil and gas transportation business license (temporary license/permanent license) (<i>izin usaha pengangkutan minyak dan gas bumi (izin sementara/izin tetap)</i>) 6. General trade oil and gas business license (temporary license/permanent license) (<i>izin usaha niaga umum minyak dan gas bumi (izin sementara/izin tetap)</i>) 7. Representative office license, subsector oil and gas (<i>izin kantor perwakilan asing subsektor migas</i>) <p>Mineral and Coals Subsector:</p> <ol style="list-style-type: none"> 1. Exploration mining business license (<i>izin usaha pertambangan eksplorasi</i>) 2. Termination of mining business license due to return (<i>pengakhiran izin usaha pertambangan karena pengembalian</i>) 3. Mining business license for special production operation for transport, sale and renewal (<i>izin usaha pertambangan operasi produksi khusus untuk pengangkutan dan penjualan dan perpanjangannya</i>) 4. Mining business license for production operation and renewal (<i>izin usaha pertambangan operasi</i>



No	Sector	Types of Licenses
		<p><i>produksi dan perpanjangannya</i>)</p> <p>5. Mining business license for special production operation for processing and/or refining and renewal (<i>izin usaha pertambangan operasi produksi khusus untuk pengolahan dan/atau pemurnian dan perpanjangannya</i>)</p> <p>6. Temporary license to carry out transportation and sale (<i>izin sementara untuk melakukan pengangkutan dan penjualan</i>)</p> <p>7. Mining business license for production operation for sale (<i>izin usaha pertambangan operasi produksi untuk penjualan</i>)</p> <p>8. Mining service business license and renewal (<i>izin usaha jasa pertambangan dan perpanjangannya</i>)</p>
2.	Public Works and Public Housing	<p>1. Property development and exploitation business license (<i>izin usaha pembangunan dan pengusahaan properti</i>)</p> <p>2. Housing business license (<i>izin usaha bidang perumahan</i>)</p>
3.	Finance	<p>1. Granting of import facility for machinery, capital goods and materials for investors in industrial sector and in industrial sector that produces services (<i>pemberian fasilitas importasi mesin, barang modal dan bahan bagi penanaman modal sektor industri dan industri yang menghasilkan jasa</i>)</p> <p>2. Granting of import facility for machinery, capital goods in electricity sector (<i>pemberian fasilitas importasi mesin, barang modal sektor ketenagalistrikan</i>)</p> <p>3. Granting of import facility for machinery, capital goods for contract of work and PKP2B (<i>pemberian fasilitas importasi mesin, barang modal untuk kontrak-karya dan PKP2B</i>)</p>



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		4. Tax holiday facility proposal (<i>pengusulan fasilitas tax holiday</i>) 5. Tax allowance facility proposal (<i>pengusulan fasilitas tax allowance</i>)
4.	BKPM	1. Regional representative office license, except for trade and construction representative offices (<i>kantor perwakilan perusahaan asing (KPPA), selain sektor perdagangan dan konstruksi</i>) 2. Branch office opening licenses, the business licenses of which are issued by the Central PTSP at BKPM (<i>izin pembukaan kantor cabang yang perizinan berusahanya dikeluarkan oleh PTSP Pusat di BKPM</i>) 3. Limited stay visa (vitas) recommendation as shareholders (<i>rekomendasi vitas sebagai pemegang saham</i>) 4. Recommendation for change of status from visit stay permit to limited stay permit (ITAS) (<i>rekomendasi alih status izin tinggal kunjungan menjadi izin tinggal terbatas (ITAS)</i>) 5. Recommendation for limited stay permit (ITAS) to become permanent stay permit (ITAP) (<i>rekomendasi izin tinggal terbatas (ITAS) menjadi izin tinggal tetap (ITAP)</i>)

Remarks

We keep monitoring further development on the implementation of the OSS system. The procedures to process licenses that are still issued by BKPM should remain the same.
