



Client Alert

The Business Licensing Submission System through the OSS system that is currently handled by the Coordinating Ministry for Economic Affairs and is available online on the OSS website will be transferred to the Capital Investment Coordinating Board and will be available at its One-Stop Integrated Service center.

Following the issuance of the Government Regulation No. 24 of 2018 regarding Electronically Integrated Business Licensing Services ("GR 24/2018"), which introduced the Online Single Submission ("OSS") – an attempt by the Indonesian Government to avoid the overlapping of licensing regulations at central and regional level – the OSS system will be transferred from the Coordinating Ministry for Economic Affairs ("Kemenko Perekonomian") to the Capital Investment Coordinating Board ("BKPM") under the Circular Letter No. S-389/M.EKON/12/2018 dated 21 December 2018 ("Circular Letter") issued by the Coordinating Minister for Economic Affairs.

Current OSS System

The business licensing submission is submitted through the OSS system, an integrated and single gateway for the issuance of licenses in Indonesia, which is currently handled by Kemenko Perekonomian. The OSS system was launched on 9 June 2018 and its enforcement is regulated under GR 24/2018, which was effective upon its issuance.

The handling of the OSS system by Kemenko Perekonomian is temporary in its purpose and is intended from the beginning to be handled permanently by BKPM.

OSS System from 2 January 2019

Starting from 2 January 2019, BKPM will fully handle the OSS system. Pursuant to Circular Letter, the transfer of the services of the OSS system will be done gradually.

Firstly, on 2 January 2019, the services that will be handled by BKPM are the operational of the assisted licensing services and the OSS system. The assisted licensing services include OSS Lounge, Call Center (through dialing the telephone number of (021)1500765) and technical support through e-mail. Besides the assisted licensing services, self-service is also available and is possible through the computer provided by BKPM. Furthermore, the OSS system that is available from Kemenko Perekonomian is the 1.0 upgrade version. Albeit the OSS system that will be transferred to BKPM, any technical problems will be handled jointly by BKPM and Kemenko Perekonomian.

Secondly, the OSS system infrastructure will be provided from 1 March 2019. This covers network, hardware, software licenses and supporting devices.

The OSS services are available at the first floor of the One-Stop Integrated Service ("PTSP") building of BKPM in Jakarta, Indonesia. For businesspersons who wish to handle the business licensing-related matter, they may visit the aforementioned location.

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Transition of the OSS System Handled by Kemenko Perekonomian to BKPM

The OSS system is web-based and running on the cloud infrastructure, which has been using the cloud system running on a data center and has been certified with ISO 27001-2013 of Information Security Management System.

Adjustment of Related Regulations

Following the OSS system transfer to BKPM, the Indonesian Government will conduct a reform upon current regulations related to business licensing. It is known that there are twenty-one licensing-related regulations, inter alia, Ministry of Trade Regulation No. 76 of 2018 regarding Company Registration Enforcement and Ministry of Finance Regulation No. 71 of 2018 regarding Electronically Integrated Business Licensing Services in Customs, Duty and Tax Sectors. Hence, such reform by the Government would be by means of merging these regulations into a single regulation that will specifically regulate business licensing. Such merging is urged by the fact that there are more than one parameter for each type of licensing.

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