

RESTRICTIONS ON FOREIGN INVESTORS ACQUIRING INDONESIAN ONLINE BUSINESS?

On 26 January 2015, President Joko Widodo swore in Mr. Triawan Munaf as the Head of the Creative Economic Board (BEK – Badan Ekonomi Kreatif). BEK is tasked to strengthen the role of creative economic businesses, including protection for Indonesian creative crafts. The creative sectors on which BEK has oversight are advertising, architecture, art markets, handicrafts, design, fashion, video, film and photography, interactive games, music, art shows, publishing and printing, computer and software services, radio and television, research and development, and culinary activities. In relation to these sectors, the President is confident that these sectors can be further strengthened and promoted through online businesses.

It is interesting to note that the President requested BEK to protect Indonesian online businesses from acquisition by foreign investors. This is to provide opportunities to Indonesian online businesses to grow and to become global players. To date, there have been no further specifics on how such restrictions might be implemented