

THE GOVERNMENT OF INDONESIA HAS FINALLY REGULATED OVER THE TOP SERVICES

In an effort to give an explanation to the public and especially the Service Providers of Over the Top related to the regulation of the provision of application services and/or content via the Internet (Over the Top) which will be applied, the Minister of Communication and Information deems it necessary to issue a Circular Letter Number 3 of 2016 on the Provision of Application Services and/or Content Through Internet (Over The Top). The Provision of Applications and/or Content Services via the Internet ("**Over the Top Services**") refers to the provision of: 1) telecommunications services (such as short messages, video calls, financial & commercial transactions, etc.); and 2) digital information (such as writings, sounds, pictures, videos, and/or combinations thereof, etc.) via the Internet.

A provider of Over the Top Services must be: 1) a natural person of Indonesian nationality; or 2) a legal entity/business entity incorporated in Indonesia. Non-Indonesian persons or business entities wishing to engage in the Over the Top Services business are required to have a Permanent Business Establishment in Indonesia.

Obligations of providers of Over the Top Services are as follows:

- to comply with the laws and regulations concerning business competition, trading, consumer protection, intellectual property rights, broadcasting, movies, advertising, pornography, anti-terrorism, taxation and other relevant regulations;
- to provide data protection;
- to apply content filtering;
- to comply with the applicable sensor mechanism;
- to use the national payment gateway by an Indonesian legal entity;
- to use Indonesian internet protocol numbers;
- to ensure access for lawful interception related to criminal proceedings; and
- to include information and/or instructions in Bahasa Indonesia.

Providers of Over the Top Services may not disseminate messages with the following content:

- anything which contradicts the Pancasila or the 1945 Constitution, or threatens the integrity of the Republic of Indonesia;
- anything which may cause conflict or fierce arguments between groups, ethnic groups, religious groups, racial groups, etc.;
- anything which encourages the public to engage in illegal actions; and/or
- anything which violates the prevailing laws and regulations.