



## 2016 Negative List Revision Released

The Indonesian Government has released the long-awaited revision to the Negative List (“DNI”). The revised regulation (Presidential Regulation No. 44/2016) was promulgated on 18 May 2016 and circulated to the public on 24 May. The DNI regulates the sectors which are closed, open, or conditionally open to investment. The DNI revision is keenly awaited as it stipulates, amongst other matters, restrictions on foreign participation in various business activities in Indonesia. Makarim & Taira will circulate a more comprehensive discussion of the changes in the near future, along with an English translation of the new DNI.

### DNI Revisions

The Government of Indonesia has enacted a new DNI under Presidential Regulation No. 44 of 2016, which became effective on 18 May 2016 (“**2016 DNI**”). The 2016 DNI revokes the previous DNI stipulated under Presidential Regulation No. 39 of 2014. In principle, all lines of business are open to foreign investment, except for those sectors specifically mentioned in the DNI and other laws and regulations (as noted in article 3 of the 2016 DNI). For those wishing to review the regulation itself, it is important to note that the DNI structure has changed, with the conditional restrictions being split into Attachment II (business fields reserved for micro, small and medium enterprises and cooperatives (UMKMK) and for partnership arrangements with UMKMK); and Attachment III (business fields with other restrictions including those relating to ownership – i.e. foreign, domestic and Asean Economic Community owned businesses, location and special licenses). Both these attachments need to be checked, whereas in the previous version the conditional restrictions all appeared in Attachment II.

### **Summary of Key Changes to the 2016 DNI**

#### Liberalization of Investment in Certain Sectors

There are some areas in which the limitations on foreign ownership have been reduced and some sectors are now open for foreign investors:

- Opening up new sectors, among others including:

No.	Sector	Line of Business	Change
1.	Trading	Certain forms of internet retail trading (47911, 47912, 47913, 47914): retail trade via postal order and over the internet for the goods falling in the above standard industrial classification (KBLI) codes (for detail on the codes, see Regulation of the Head of the Statistics Agency No. 95/2015).	From 100% domestic shareholding requirement to “partnership”. <sup>1</sup>
		Department Store with retail space of 400-2,000 m <sup>2</sup> (47191)	From 100% domestic ownership to maximum 67% foreign ownership, along with a special permit from the Ministry of Trade, and must be located inside a mall.

<sup>1</sup> “Partnership” means cooperation in investment activities for Conditionally Open Business Activities either directly or indirectly, on the basis of the principles of mutual need, trust, strengthening and benefit, which involves micro and SMEs with large enterprises, as meant under Law No. 20 of 2008 regarding micro enterprises and SMEs.

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No	Sector	Line of Business	Change
2.	Industry	Crumb Rubber (22123)	From 100% domestic ownership to 67% maximum foreign ownership.
3.	Transportation	Passenger land transport on scheduled routes (intercity and interprovincial transport, border bus transport, province intercity transport, Urban/suburban/rural transport, Cross-border transport) (49211; 49212; 49213; 49214).	From 100% domestic ownership to 49% maximum foreign ownership.
		Passenger land transport on non-scheduled routes (Taxi transport, Tourism transport, Specific destination transport, specific area transport) (49421; 49222; 49221; 49221).	From 100% domestic ownership to maximum 49% foreign ownership.

- Increasing the permitted foreign shareholding in certain sectors, among others:

No.	Sector	Line of Business	Change
1.	Trade	Warehousing (52101)	From maximum 33% foreign ownership to maximum 67% foreign ownership.
		Non-Production Affiliated Distributor (00000)	From maximum 33% foreign ownership to maximum 67% foreign ownership.
		Cold Storage (52102)	From: maximum 33% foreign ownership in Sumatra, Java and Bali; maximum 67% foreign ownership in Kalimantan, Sulawesi, Nusa Tenggara, Maluku & Papua; To: maximum 100% Foreign Capital Ownership.
2.	Tourism and Creative Economy	Restaurants (56101), Bars (56301), Café (56303);	From maximum 51% foreign ownership to 100%.
		0-2 star hotels (55114, 55115, 551120)	From 51% to 67% foreign ownership.
3.	Communications and IT	Range of telecommunications services activities	From 49% to 67% foreign ownership.
4.	Health	Manufacture of pharmaceutical raw materials (21011)	From 85% to 100% foreign capital permitted.
		Business and management consultancy services and/or hospital management services (70209)	From 67% to 100% foreign capital permitted.
		Pest control/fumigation services (86903)	From 0% to 67% foreign capital permitted.

#### Decrease of Allowed Investment

Unfortunately, there are also some sectors where permitted foreign investment has been reduced, specific recommendations from the relevant technical ministries are required or sectors are now specifically closed, as follows:

- Specifically closing investment in certain business lines, among others:

No.	Sector	Line of Business	Change
1.	Fisheries	Fishing in the EEZ and open seas (not in territorial waters) over 100GT (03111)	From 'special license' to 100% domestic.

- More restrictive for foreign investment in certain business lines, among others:

No.	Sector	Line of Business	Change
1.	Manpower and Transmigration	Job training (to provide, to get, to increase, to develop job competency, productivity, discipline, manner and work ethics, including techniques and engineering vocation, commerce, language, tourism, management, information technology, arts and agriculture in order to prepare the workforce (85499, 85492, 25493, 85494).	From 67% Foreign Capital Ownership to 49% Foreign Capital Ownership.

- Introducing new foreign ownership limitations in certain sectors that were not regulated in the past (i.e. previously open for 100% foreign ownership), among others:

No.	Sector	Line of Business	Change
1.	Communications and IT	Market place through electronic system based on platform, daily deals, price grabber, online banner advertisements with investment value less than Rp.100bn (00000)	Maximum 49% Foreign Capital Ownership (some of this could be done previously under 'web portal', which was open to foreign investment).

Grandfathering

The prior grandfathering provisions remain, thereby protecting prior approved investment if there has been a change or reduction in the permitted level of foreign investment in the 2016 DNI unless the change is more advantageous to the investment.

Applicability of the DNI to Public Listed Companies and SEZs

There is no change with regard to the applicability of the DNI to publicly listed companies. Under article 8 of the 2016 DNI, it is stated that the DNI does not apply to "indirect or portfolio" investments. However, there are no provisions in the 2016 DNI that explain this stipulation further or remove the well-known ambiguities of this provision and how in practice this will be applied. Consequently, we believe it is likely current practice will prevail.

There are provisions excepting businesses established in SEZs from the DNI restrictions (other than the UMKMK restrictions and UMKM partnership restrictions, which will still apply).

It is important to note that the DNI is not always comprehensive, as there can be other sources of investment restrictions. In addition, there are often uncertainties as to implementation and interpretation (particularly after a revision), as well as possible issues with regional investment authorities and potential conflict with regulations of other government ministries.

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**Makarim & Taira S.**  
25 May 2016

## 2016 Negative List Revision Detail

Further to our client alert of 25 May, we include here the full list of changes to the 2014 Negative List (DNI), as contained in Presidential Regulation No. 44/2016 and its attachments. Note, again, that existing investors' licensing will be grandfathered. ASEAN investors have preferential arrangements in many cases.

Some changes of note: in **Agriculture**, the requirement to obtain a Ministry of Agriculture recommendation has been replaced in many instances with a 20% plasma plantation requirement. In **Forestry**, some ecotourism services have been liberalized and, in **Maritime and Fisheries**, gathering coral for aquaria and salvage of artifacts have been closed. In **Energy and Mineral Resources**, some geothermal participation conditions have changed as has foreign participation in testing and analysis of electrical installation, while biomass pellet manufacture has been liberalized. Industry sees changes in crumb rubber opportunities, while **Public Works** sees a consolidation of construction categories and a raising of the minimum project size for foreign participation, from Rp.1bn to Rp.50bn for construction implementation services (contractor) and a minimum project limit of Rp.10bn for consultancy services. Toll road operation opens up to 100% foreign ownership. **Trade** sees some degree of liberalization in the Department Store sector, for retail sales via internet for some categories of goods, for distributors, cold storage and warehousing, to mention several. Foreigners may now participate more fully in some **Tourism and Creative Economy** fields, particularly cafes, restaurants and bars, which are now 100% open to foreign participation, while some lower-star hotel categories go from 51% to 67% foreign ownership limitation. Film services gets a big boost to foreign participation. There is some incremental liberalization in **Transport** and in **Communications/IT**, while online market place sees a new 49% foreign shareholding restriction for businesses with less than Rp. 100bn capital. In Finance, pension fund disappears from the list. In **Manpower and Transmigration**, work training goes up from 49% to 67% and the **Health** sector is mixed, seeing a new restriction on medical equipment distributors but liberalization in some other areas. Full details are set out below.

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## Summary of Changes to the 2016 DNI

### Note:

The business line of a foreign investment company (“**PMA Company**”) is specified in its investment licensing in accordance with the Standard Indonesian Business Field Classification (*Klasifikasi Baku Lapangan Usaha Indonesia* – “**KBLI**”) and the Negative List.

The most recent KBLI was issued by the Bureau of Statistics in 2015.

### 1. Agriculture

No.	Business Field	KBLI	2014	2016	Remarks
1.	Jatropha curcas crops	01299	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% ‘plasma’ plantation requirement for cooperation with local communities	- Applies to plantation breeding with an area $\geq$ 25 Ha - The previous KBLI was 01118
2.	Other sweetener crops	01137	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% ‘plasma’ plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
3.	Cane crops	01140	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% ‘plasma’ plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha

No.	Business Field	KBLI	2014	2016	Remarks
4.	Tobacco crops	01150	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
5.	Raw materials of textiles and cotton crops	01160	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
6.	Cashews crops	01252	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
7.	Coconut palms crops	01261	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
8.	Oil palms crops	01262	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
9.	Beverages crops (tea, coffee and cocoa)	01270	- Max 95% foreign ownership - Subject to a	- Max 95% foreign ownership - 20% 'plasma' plantation	Applies to plantation breeding with an area $\geq$ 25 Ha



No.	Business Field	KBLI	2014	2016	Remarks
			recommendation of Ministry of Agriculture	requirement for cooperation with local communities	
10.	Pepper crops	01281	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
11.	Cloves crops	01282	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
12.	Essential oil crops	01284	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
13.	Medicinal/pharmaceutical crops	01285 01286	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
14.	Other spice crops	01289	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha

No.	Business Field	KBLI	2014	2016	Remarks
15.	Rubber and other latex producer crops	0129	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
16.	Other crops which unclassified elsewhere	01299	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation breeding with an area $\geq$ 25 Ha
17.	Jatropha curcas plantation	01299	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	- Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units; - The previous KBLI was 01118
18.	Other sweetener plantation	01137	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
19.	Cane plantation	01140	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
20.	Tobacco plantation	01150	- Max 95% foreign ownership - Subject to a	- Max 95% foreign ownership - 20% 'plasma' plantation	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size



No.	Business Field	KBLI	2014	2016	Remarks
			recommendation of Ministry of Agriculture	requirement for cooperation with local communities	without processing units
21.	Raw materials of textiles and cotton plantation	01160	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
22.	Cashews plantation	01252	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
23.	Coconut palms plantation	01261	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
24.	Oil palms plantation	01262	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
25.	Beverages plantation (tea, coffee and cocoa)	01270	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units

No.	Business Field	KBLI	2014	2016	Remarks
26.	Pepper plantation	01281	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
27.	Cloves plantation	01282	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
28.	Essential oil plantation	01284	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
29.	Medicinal/pharmaceutical plantation	01285 01286	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
30.	Other spice plantation	01289	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
31.	Other plantation which unclassified elsewhere	01299	- Max 95% foreign ownership - Subject to a	- Max 95% foreign ownership - 20% 'plasma' plantation	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size

No.	Business Field	KBLI	2014	2016	Remarks
			recommendation of Ministry of Agriculture	requirement for cooperation with local communities	without processing units
32.	Rubber and other latex producer plantation	0129	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	Applies to plantation with an area $\geq$ 25 Ha up to a specified area size without processing units
33.	Plantation of cashews and manufacture of dried cashew nuts and cashew nut shell liquid (CNSL)	01252 10399	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	<ul style="list-style-type: none"> <li>- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity;</li> <li>- The previous KBLI were 01252 and 10614</li> </ul>
34.	Plantation of peppercorns and manufacture of dried white peppercorns and dried black peppercorns	01281 10399	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation with local communities</li> </ul>	<ul style="list-style-type: none"> <li>- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity;</li> <li>- The previous KBLI were 01281 and 10614</li> </ul>
35.	Plantation of jatropha and manufacture of jatropha oil	01299 20294	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- 20% 'plasma' plantation requirement for cooperation</li> </ul>	<ul style="list-style-type: none"> <li>- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the</li> </ul>

No.	Business Field	KBLI	2014	2016	Remarks
			of Agriculture	with local communities	specified capacity; - The previous KBLI were 01118 and 20294
36.	Plantation of sugar cane, of cane sugar, sugar cane top and sugar cane bagasse	01140 10721	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
37.	Plantation of tobacco and manufacture of dried tobacco leaves	01150 12091	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
38.	Plantation of cotton and manufacture of cotton fiber	01160	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
39.	Plantation of coconut palms and manufacture of coconut oil	01261 10423	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity

No.	Business Field	KBLI	2014	2016	Remarks
40.	Plantation of coconut palms and manufacture of copra, fiber, coconut shell charcoal, dust, nata de coco	01261 10421 10773	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
41.	Plantation of oil palms and manufacture of palm oil (CPO)	01262 10432	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
42.	Plantation of coffee and manufacture of coffee bean peeling, cleaning and sorting	01270 10399	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - 20% 'plasma' plantation requirement for cooperation with local communities	- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity;  - The previous KBLI were 01270 and 10612
43.	Industry of grain peeling and cleaning, other than coffee beans and cocoa beans	10614	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	-	Open up to 100% foreign ownership
44.	Plantation of tea and manufacture of black tea/green	01270	- Max 95% foreign ownership  - Subject to a	- Max 95% foreign ownership  - 20% 'plasma' plantation	- Applies to plantation in an area of 25 Ha or more, integrating with

No.	Business Field	KBLI	2014	2016	Remarks
	tea	10763	recommendation of Ministry of Agriculture	requirement for cooperation with local communities	processing units with a capacity equivalent to or exceeding the specified capacity; - The previous KBLI were 01270 and 10761
45.	Plantation of cloves and manufacture of dried clove buds	01282 10772	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity - The previous KBLI was only 01282
46.	Plantation of essential oil crops and manufacture of essential oil	01284 20294	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
47.	Plantation of rubber and manufacture of sheets, concentrated latex	01291 22121 22122	- Max 95% foreign ownership - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership - 20% 'plasma' plantation requirement for cooperation with local communities	Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity
48.	Plantation of grains other than coffee beans and cocoa beans	10399	- Max 95% foreign ownership	- Max 95% foreign ownership	- Applies to plantation in an area of 25 Ha or more, integrating with



No.	Business Field	KBLI	2014	2016	Remarks
	and manufacture of grain peeling and cleaning other than coffee beans and cocoa beans		- Subject to a recommendation of Ministry of Agriculture	- 20% 'plasma' plantation requirement for cooperation with local communities	processing units with a capacity equivalent to or exceeding the specified capacity  - The previous KBLI was 10614
49.	Industry of crude vegetable and animal oils (edible oils)	10411	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - Mandatory use of raw materials at least 20% of the investor's total area of plantation crops	Applies to industry with equivalent capacity or exceeding the specified capacity
50.	Industry of copra, fiber, coconut shell charcoal, dust, nata de coco	10421	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - Mandatory use of raw materials at least 20% of the investor's total area of plantation crops	Applies to industry with equivalent capacity or exceeding the specified capacity
51.	Industry of coconut oil	10423	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - Mandatory use of raw materials at least 20% of the investor's total area of plantation crops	Applies to industry with equivalent capacity or exceeding the specified capacity
52.	Industry of palm oil	10432	- Max 95% foreign ownership  - Subject to a recommendation of Ministry of Agriculture	- Max 95% foreign ownership  - Mandatory use of raw materials at least 20% of the investor's total area of	Applies to industry with equivalent capacity or exceeding the specified capacity

No.	Business Field	KBLI	2014	2016	Remarks
				plantation crops	
53.	Industry of coffee and cocoa bean in peeling, cleaning and sorting	10399	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	<ul style="list-style-type: none"> <li>- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity</li> <li>- The previous KBLI was 10612</li> </ul>
54.	Industry of cane sugar, sugar cane top and sugar cane bagasse	10721	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
55.	Industry of black tea/green tea	10763	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	<ul style="list-style-type: none"> <li>- Applies to plantation in an area of 25 Ha or more, integrating with processing units with a capacity equivalent to or exceeding the specified capacity</li> <li>- The previous KBLI was 10761</li> </ul>
56.	Industry of dried tobacco leaves	12091	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity

No.	Business Field	KBLI	2014	2016	Remarks
				plantation crops	
57.	Industry of raw jatropha oil	20294	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
58.	Industry of cotton fiber and cotton seeds	01630 10490	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
59.	Industry of rubber for sheets, concentrated latex	22121 22122	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
60.	Industry of cashews for dried cashew nut and cashew nut shell liquid (CNSL)	10614	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
61.	Industry of pepper for dried white pepper and dried black	10614	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified

No.	Business Field	KBLI	2014	2016	Remarks
	pepper		recommendation of Ministry of Agriculture	materials at least 20% of the investor's total area of plantation crops	capacity
62.	Industry of dried clove buds	01630	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Mandatory use of raw materials at least 20% of the investor's total area of plantation crops</li> </ul>	Applies to industry with equivalent capacity or exceeding the specified capacity
63.	Research and development on sciences and engineering in agricultural genetic resources	01450	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	Max 95% foreign ownership	
64.	Research and development on sciences and engineering in GMO (Genetically modified organisms) products (genetic engineering)	01450	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- Subject to a recommendation of Ministry of Agriculture</li> </ul>	Max 95% foreign ownership	
65.	Breeding and raising for more than 125 swine (pigs)	01450	The location must not contradict with local regulations	Specific location that decided by Minister of Agriculture	-

## 2. Forestry

No.	Business Field	KBLI	2014	2016	Remarks
1.	Catching of and trade in plants and wildlife	01701	<ul style="list-style-type: none"> <li>- Reserved for UMKM, except for the reptiles</li> <li>- Subject to a recommendation from Ministry of Forestry</li> </ul>	<ul style="list-style-type: none"> <li>- 100% domestic ownership</li> <li>- Ministry of Forestry Recommendation</li> </ul>	Used to be divided into two categories (i) Catching of and trade in plants and wildlife from natural habitats, except for reptiles; and (ii) Catching of and trade in reptiles
2.	Production of silkworm cocoon (natural silk farming)	01492	-	-	The previous KBLI was 02305
3.	Operation of hunting preserves in hunting parks and hunting blocks	93193 93229	-	-	The previous KBLI were 01701 and 93229
4.	Animal and plants breeding and conservation	01702 02209	Max 49% foreign ownership	Max 49% foreign ownership	A nomenclature change, used to be captive breeding of wildlife an plants/growing of coral outside the conservation area under Forestry sector
5.	Operation of natural tourism through provision of ecotourism facilities, activities and services within the forestry areas comprised of water tours, natural adventure tours,	93241 93424 93243 93249	Max 51% foreign ownership	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Max 70% for ASEAN Investors</li> </ul>	

No.	Business Field	KBLI	2014	2016	Remarks
	spelunking tours	93223 93222			
6.	Operation of natural tourism through provision of ecotourism facilities, activities and services within other business interest tours	93229	Max 51% foreign ownership	-	This business field is not included in the 2016 Negative List which means it's now open for 100% foreign ownership
7.	Technological development of plant and wildlife genetic manipulation	72102		-	The previous KBLI was 02409
8.	Gathering (retrieval) of Coral from Nature for construction materials/lime/calcium and souvenirs/jewelry as well as living coral or dead coral (recently dead coral) from Nature	03117	Subject to a recommendation from Ministry of Forestry	Closed to Investment	<ul style="list-style-type: none"> <li>- A nomenclature change, used to be gathering and exploitation of coral from nature for aquarium and coral/reef for dead coral from transplantation/propagation</li> <li>- The previous KBLI were 03119 and 46206</li> </ul>



### 3. Maritime and Fisheries

No.	Business Field	KBLI	2014	2016	Remarks
1.	Fisheries Using Fishing Boat in Indonesian Waters and High Seas	03111	<ul style="list-style-type: none"> <li>- Fisheries Using Fishing Boat ≤ 30 GT in Territorial Sea (up to 12 mil): Reserved for UMKM</li> <li>- Fisheries Using Fishing Boat ≥ 100 GT in the ZEE: Subject to further requirements and provisions of the Minister of Marine Affairs &amp; Fisheries</li> <li>- Fisheries Using Fishing Boat ≥ 100 GT in High Seas: Subject to further requirements and provisions of the Minister of Marine Affairs &amp; Fisheries</li> <li>- Fisheries Using Fishing Boat over 30 GT outside of Territorial Sea: 100% domestic ownership</li> </ul>	<ul style="list-style-type: none"> <li>- 100% domestic ownership</li> <li>- Requires special license from the Ministry of Maritime and Fisheries regarding the allocation of fishing areas</li> </ul>	<p>Under the 2014 Negative List, this business field was divided into 4 business fields, each with different requirements.</p> <p>The 2016 Negative List consolidated all 4 business fields and closed Fisheries in the ZEE and High Seas to 100% domestic ownership Ownership.</p>
2.	Processing of Fishery Products Integrated with Fishing in Public Waters	03121 03122	<ul style="list-style-type: none"> <li>- Reserved for UMKM</li> </ul>	-	The 2016 Negative List wrote off this business field because its provision refers to Fisheries.
3.	Processing of Fishery Products: Fish and Other Water Biotas	10211	<ul style="list-style-type: none"> <li>- Reserved for UMKMK</li> </ul>	Open for 100% foreign ownership, requires	Under the 2016 Negative List, this business field is covered under the

No.	Business Field	KBLI	2014	2016	Remarks
	Salting/Drying Industry		(under the Industry Sector) - Partnership Requirement (under the Maritime and Fisheries Sector)	partnership with UMKMK	Maritime & Fisheries Sector.
4.	Gathering (Retrieval) of Coral from Nature for Aquarium		-	-	
5.	Salvage of Valuable Artifacts from Shipwrecks	52229	- In accordance with Laws and Regulations regarding the Salvage and Gathering of Valuables from Shipwrecks	Closed to Investment	

#### 4. Energy & Mineral Resources

No.	Business Field	KBLI	2014	2016	Remarks
1.	Oil and gas construction services on horizontal/ vertical tanks and onshore oil and natural gas storage and marketing installation	42914	100% domestic ownership	100% domestic ownership	Used to be divided into two categories: (i) Oil and gas construction services on horizontal/ vertical tanks; (ii) onshore oil and natural gas storage and marketing installation
2.	Surveying services on oil and gas, geologic and geophysical	71102	Max 49% foreign ownership	Max 49% foreign ownership	- Used to be divided into two categories of surveying services (i) oil and gas (ii) geologic and geophysical

No.	Business Field	KBLI	2014	2016	Remarks
					- The previous KBLI was 71100
3.	Surveying services on geothermal	71102	Max 95% foreign ownership	Max 95% foreign ownership	The previous KBLI was 71100
4.	Geothermal Power Plant ≤ 10 MW	35101	Followed the same requirements for (i) electric power generation of < 1 MW with 100% domestic ownership (ii) Small-scale power generation (of 1 – 10 MW) with max 49% foreign ownership	Max 67% foreign ownership	
5.	Power construction and installation of low/medium voltage electric power utilization	43211	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership for electrical utility construction</li> <li>- 100% domestic ownership for electrical installation</li> </ul>	Max 95% foreign ownership	<ul style="list-style-type: none"> <li>- It used to be divided into (i) electrical Utility construction (ii) electrical installation</li> <li>- The KBLI numbers were 42213 and 43211</li> </ul>
6.	Power construction and installation of high/extra high voltage electric power utilization	43211	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership for electrical utility construction</li> <li>- 100% domestic ownership for electrical installation</li> </ul>	Max 95% foreign ownership	
7.	Testing and analysis of electrical	43211	100% domestic ownership	Max 49% foreign ownership	- Used to be under one category as

No.	Business Field	KBLI	2014	2016	Remarks
	installation of high/extra high electrical provision installation and utilization				testing and analysis of electrical installation - The previous KBLI 71204
8.	Testing and analysis of electrical installation of low/medium electrical provision installation and utilization	43211	100% domestic ownership	100% domestic ownership	
9.	Manufacture of biomass pellets for energy	16295	Reserved for UMKMK	-	Open up to 100% foreign ownership

## 5. Industry

No.	Business Field	KBLI	2014	2016	Remarks
1.	Fabric Printing Industry	13133	Reserved for UMKMS	Reserved to UMKMK	Under the 2014 Negative List, this business field was listed as Fabric Printing Industry Especially for Batik and Traditional Motifs
2.	Sugar Industry (white sugar, refined sugar and raw sugar) derived from Cane with Partnership in the form of Plasma Nucleus 20% of the Land Area	10721	<ul style="list-style-type: none"> <li>- Max 95% foreign ownership</li> <li>- For establishment and expansion of sugar factory, it is required to establish a self-owned sugar cane plantation in accordance with the laws and</li> </ul>	Open for 100% foreign ownership, requires partnership with UMKMK	Under the 2016 Negative List, a Partnership in the form of Plasma Nucleus 20% of the Land Area is required for this business field.

No.	Business Field	KBLI	2014	2016	Remarks
			regulations		
3.	Crumb Rubber Industry	22123	<ul style="list-style-type: none"> <li>- 100% domestic ownership</li> <li>- Subject to a recommendation from the Ministry of Agriculture on the availability of raw materials</li> <li>- No transfer of capital ownership of the company to foreign investment (PMA) is allowed</li> </ul>	<ul style="list-style-type: none"> <li>- Special License from the Ministry of Industry provided that the industry is integrated with rubber plantation development:               <ul style="list-style-type: none"> <li>a. At least 20% of the raw material used should be supplied from their own plantation ; and</li> <li>b. raw material supply can be supplied by partners up to a maximum of 80% of the needs</li> </ul> </li> <li>with at least 20% of the plantation area allocated for plasma plantation</li> </ul>	

## 6. Defense and Security

No.	Business Field	KBLI	2014	2016	Remarks
1.	Main and/or supporting component industry	20292	<ul style="list-style-type: none"> <li>- Max 49% foreign ownership</li> <li>- Ministry of Defense</li> </ul>	<ul style="list-style-type: none"> <li>- Max 49% foreign ownership and 51% for</li> </ul>	Used to be listed as Explosives and Explosives Components Industry

No.	Business Field	KBLI	2014	2016	Remarks
			Recommendation	State Owned Enterprise - Subject to a recommendation of Ministry of Defense	
2.	Component and/or supporting Industry (Supplies)	20292	- Max 49% foreign ownership - Ministry of Defense Recommendation	- Max 49% foreign ownership and 51% for State Owned Enterprise - Subject to a recommendation of Ministry of Defense	
3.	Main tools industry	25200 25934 30300 30400	-		Used to be listed as Production of weapons, munitions, explosives and armaments

## 7. Public Works

No.	Business Field	KBLI	2014	2016	Remarks
1.	Construction services (construction contractors) with low and medium technology and/or low and medium risk	00000	Reserved for UMKMK	Reserved for UMKMK	Used to be listed under construction services (construction contractors) with low-cost technology and/or low risks and/or work value of up to



No.	Business Field	KBLI	2014	2016	Remarks
	and/or work value up to Rp50,000,000,000				Rp1,000,000,000
2.	Construction Services (Construction Contractors) with Advanced Technology and/or High Risks and/or Work Value of More Than Rp50,000,000,000	00000	Max 67% foreign ownership	- Max 67% foreign ownership - Max 70% for ASEAN Investors	Used to be listed under construction services (construction contractors) with high technology and/or high risks and/or work value of more than Rp1,000,000,000
3.	Business/Construction Consultation Services that use low and medium technology and/or low/medium risk and/or work value less than Rp10,000,000,000	00000	Max 55 % Foreign Capital Ownership	Reserved for UMKMK	Used to be listed under:  Construction consultancy services
4.	Business/Construction Consultation Services for Construction with Advanced Technology and/or High Risks and/or Work Value of More Than Rp50,000,000,000	00000	Max 55 % Foreign Capital Ownership	- Max 67% Foreign Capital Ownership - Max 70% for ASEAN investor	
5.	Operation of toll roads	52213	Max 95% foreign ownership	-	100% foreign ownership
6.	Treatment and disposal of non-	38211	Max 95% foreign ownership	-	100% foreign ownership

No.	Business Field	KBLI	2014	2016	Remarks
	hazardous waste				

### 8. Trade

No.	Business Field	KBLI	2014	2016	Remarks
1.	Direct selling through a network developed by a business partner	00000	Max 95% foreign ownership	100% foreign ownership	
2.	Department stores with retail space of 400m <sup>2</sup> - 2,000m <sup>2</sup>	47191	100% domestic ownership	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Requires special license from Ministry of Trade with requirements:               <ol style="list-style-type: none"> <li>1. Located inside mall and does not stand-alone;</li> <li>2. Addition of outlet store based on export performance (pay performance)</li> </ol> </li> </ul>	
3.	Retail via mail order or via internet	47911 47912 47913 47914	100% domestic ownership	Open for 100% foreign ownership, requires partnerships with UMKM	

No.	Business Field	KBLI	2014	2016	Remarks
4.	Non-Production Affiliated Distributor	00000	Max 33% foreign ownership	Max 67% foreign ownership	
5.	Warehousing	52101	Max 33% foreign ownership	Max 67% foreign ownership	
6.	Cold storage	52102	<ul style="list-style-type: none"> <li>- Max 33% foreign ownership for Investment in Sumatra, Jawa, and Bali;</li> <li>- Max 67% foreign ownership for Investment in Kalimantan, Sulawesi, Nusa Tenggara, Maluku, and Papua</li> </ul>	100% foreign ownership	
7.	Public Opinion Polling / Survey and Market Research Service	73200	<ul style="list-style-type: none"> <li>- 100% domestic ownership;</li> <li>- Max 51% foreign ownership for ASEAN country</li> </ul>	<ul style="list-style-type: none"> <li>- 100% domestic ownership;</li> <li>- Max 70% foreign ownership for ASEAN country</li> </ul>	
8.	Geographical/geological survey	00000 into 71102	100% domestic ownership	Max 49% foreign ownership	Line of business consolidation to become Oil and Gas, Geology, and Geophysics Survey Services under Energy and Mineral Resources Sector
9.	Futures brokers	00000	Max 95% foreign ownership	100% foreign ownership	

## 9. Tourism and Creative Economy

No.	Business Field	KBLI	2014	2016	Remarks
1.	Management of Museum	91022	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Max 70% for ASEAN Investors</li> </ul>	
2.	Management of Historical and Ancient Sites Such As Temple, <i>Keraton</i> , Inscriptions, <i>Petilasan</i> , and Ancient Buildings	91024	<ul style="list-style-type: none"> <li>Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	Max 67% foreign ownership	
3.	Travel Agency	79120	<ul style="list-style-type: none"> <li>- Max 49% foreign ownership</li> <li>- Max 51% foreign ownership (in partnership with UMKM)</li> <li>- Locations subject to the regional regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Max 70% for ASEAN Investors</li> </ul>	
4.	Restaurants	56101	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	100% foreign ownership	
5.	Catering Service	56210	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Max 70% for ASEAN Investors</li> </ul>	
6.	Bars	56301	<ul style="list-style-type: none"> <li>- Max 49% foreign ownership</li> <li>- Max 51% foreign ownership</li> </ul>	100% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
			(in partnership with UMKM) - Locations subject to the regional regulations		
7.	Cafes	56303	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the regional regulations	100% foreign ownership	
8.	Two-star Hotel	55114	- Max 51% foreign ownership - Locations subject to the regional regulations	Max 67% foreign ownership	
9.	One-star Hotel	55115	- Max 51% foreign ownership - Locations subject to the regional regulations	Max 67% foreign ownership	
10.	Non-star Hotel	55120	- Max 51% foreign ownership - Locations subject to the regional regulations	Max 67% foreign ownership	
11.	Motel	55199	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the	- Max 67% foreign ownership - Max 70% for ASEAN Investors	

No.	Business Field	KBLI	2014	2016	Remarks
			regional regulations		
12.	Operation of sports facilities (swimming pools, football stadium, tennis courts, fitness centers, sport centers, other sport activities)	93114 93115 93116 93117 93118 93119	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the regional regulations	100% foreign ownership	
13.	Billiard House	93111	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the regional regulations	- Max 67% foreign ownership - Max 70% for ASEAN Investors	
14.	Bowling Arena	93113	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the regional regulations	- Max 67% foreign ownership - Max 70% for ASEAN Investors	
15.	Golf Course	93112	- Max 49% foreign ownership - Max 51% foreign ownership (in partnership with UMKM) - Locations subject to the	- Max 67% foreign ownership - Max 70% for ASEAN Investors	



No.	Business Field	KBLI	2014	2016	Remarks
			regional regulations		
16.	Art Studio	90002	- Reserved for UMKM	100% foreign ownership	
17.	Art Gallery	90006	- Max 67% foreign ownership	Max 67% foreign ownership	Under the 2014 Negative List, the KBLI Nos which refer to 'Art Gallery' were as follows: <ul style="list-style-type: none"> <li>- 47781</li> <li>- 47782</li> <li>- 47783</li> <li>- 47784</li> <li>- 47785</li> <li>- 47789</li> </ul> KBLI No. 90006 (Art Facilities Operational Activities) was not regulated under the old KBLI 2009.
18.	Art Theater	90006	- Max 67% foreign ownership	Max 67% foreign ownership	Under the 2014 Negative List, the KBLI numbers which refer to 'Art Theater' was KBLI No. 47781.  KBLI No. 90006 (Art Facilities Operational Activities) was not regulated under the old KBLI 2009.
19.	Impresario Services	90004	- Max 49% foreign ownership	- Max 67% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
			<ul style="list-style-type: none"> <li>- Max 51% foreign ownership (in partnership with UMKM)</li> <li>- Locations subject to the regional regulations</li> </ul>	- Max 70% for ASEAN Investors	
20.	Karaoke	93292	<ul style="list-style-type: none"> <li>- Max 49% foreign ownership</li> <li>- Max 51% foreign ownership (in partnership with UMKM)</li> <li>- Locations subject to the regional regulations</li> </ul>	Max 67% foreign ownership	
21.	Agility/Games	93293	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	Max 67% foreign ownership	
22.	Organizer of Meeting, Incentive Trip, Conference, and Exhibition	82301	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Max 67% foreign ownership</li> <li>- Max 70% for ASEAN Investors</li> </ul>	
23.	Tour Guide Services	79921	- Reserved for UMKM (the KBLI Number was 79920)	Reserved for UMKM	
24.	SPA ( <i>Sante Par Aqua</i> )	96122	<ul style="list-style-type: none"> <li>- Max 51% foreign ownership</li> <li>- Locations subject to the regional regulations</li> </ul>	Max 51% foreign ownership	
25.	Operation of Natural Tourism	91034	Max 51% foreign ownership	Max 67% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
	Objects Outside Conservation Area				
26.	Film shooting studios services	59122	Max 49% foreign ownership	100% foreign ownership	
27.	Film processing laboratories services	59122	Max 49% foreign ownership	100% foreign ownership	
28.	Film dubbing equipment services	59122	Max 49% foreign ownership	100% foreign ownership	
29.	Film developing and/or duplicating equipment services	59122	Max 49% foreign ownership	100% foreign ownership	
30.	Film shooting equipment services	59122	100% domestic ownership	100% foreign ownership	
31.	Film editing equipment services	59122	100% domestic ownership	100% foreign ownership	
32.	Film subtitling equipment services	59122	100% domestic ownership	100% foreign ownership	
33.	Filmmaking	59122	100% domestic ownership	100% foreign ownership	
34.	Motion picture projection	59140	100% domestic ownership	100% foreign ownership	
35.	Sound recording studios	59201	100% domestic ownership	100% foreign ownership	
36.	Motion picture distribution	59132	100% domestic ownership	100% foreign ownership	

## 10. Transportation

No.	Business Field	KBLI	2014	2016	Remarks
1.	Land-Based General Freight Transportation	49431	Max 49% foreign ownership	Max 49% foreign ownership	It used to under freight transport and divided into: (i) general freight (ii) hazardous freight (iii) heavy freight (iv) heavy freight transport (v) bulk, liquid and gas freight transport (vi) crops and live animals transport
2.	Land-Based Special Freight Transportation	49432	Max 49% foreign ownership	Max 49% foreign ownership	
3.	International sea transport for passengers (not include cabotage) (CPC72 11)	50121 50122 50123	Max 60% for ASEAN Investors	Max 70% for ASEAN Investors	
4.	International sea transport for goods (not include cabotage) (CPC72 11)	50141 50142 50143	Max 60% for ASEAN Investors	Max 70% for ASEAN Investors	
5.	Passenger land transport on non-scheduled routes (Taxi transport, Tourism transport, Specific destination transport, specific area transport)	49421 49222 49221 49221	100% domestic ownership	Max 49% foreign ownership	
6.	Provision of harbor facilities	52221	Max 49% foreign ownership	- Max 49% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
	(jetties, buildings, tugs at cargo container terminals, at liquid-bulk terminals, at dry-bulk terminals, and at Roll on-Roll off (Ro-Ro) terminals	52222 52223	and max 95% in KPS during the concession	- Special license from Ministry of Transportation regarding the minimum capital	
7.	Salvage and/or underwater works	52229	Max 49% foreign ownership	Special license from Ministry of Transportation	
8.	Air transport support services (computer reservation system, passenger and cargo ground handling, and aircraft leasing)	51102 51202 52240 77304	Max 49% foreign ownership	Max 67% foreign ownership	
9.	Airport Related Services	52230	Max 49% foreign ownership	Max 67% foreign ownership	
10.	Loading and Unloading of Goods (maritime cargo handling services with CPC 7412)	52240	Max 49% foreign ownership	- Max 67% foreign ownership - Max 70% for ASEAN Investors	Only valid for 4 (four) ports in eastern part of Indonesia namely: Bitung Port, Ambon Port, Kupang Port, and Sorong Port specifically for ASEAN countries
11.	Freight Forwarding Services	52291	Max 49% foreign ownership	Max 67% foreign ownership	
12.	Air Expedition Freight Forwarding Services	52294	Max 49% foreign ownership	Max 67% foreign ownership	
13.	General Sales Agent (GSA) of Foreign Airline Company	79112	Max 49% foreign ownership	Max 67% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
14.	Provision and Operation of Inland Water Harbor	52223	Max 49% foreign ownership	Max 67% foreign ownership	
15.	Provision and Operation of River and Lake Harbor	52222	Max 49% foreign ownership	Max 67% foreign ownership	

#### 11. Communication and IT

No.	Business Field	KBLI	2014	2016	Remarks
1.	Telecommunication Cafes <sup>1</sup>	61914	Reserved for UMKMK		Deleted in the 2016 Negative List due technological developments.
2.	Operation of Wired Telecommunication Network	61100	Max 65% foreign ownership	Max 67% foreign ownership	These were covered under 'Telecommunication Network Operations' in the 2014 Negative List.
3.	Operation of Wireless Telecommunication Network	61200 61300	Max 65% foreign ownership	Max 67% foreign ownership	
4.	Operation of Content Provision Telecommunication Service (ringtone, premium short messages services, etc.)	61911	Max 49% foreign ownership	Max 67% foreign ownership	These were covered under 'Telecommunication Services Operations' in the 2014 Negative List.

<sup>1</sup> A place where people rent landline phone and pay per usage.

No.	Business Field	KBLI	2014	2016	Remarks
5.	Information Center (Call Center) and Other Telephone Added Value Services	61919	Max 49% foreign ownership	Max 67% foreign ownership	
6.	Internet Service Provider	61921	Max 49% foreign ownership	Max 67% foreign ownership	
7.	Data Communication System Services	61922	Max 49% foreign ownership	Max 67% foreign ownership	
8.	Public Internet Telephone Services	61923	Max 49% foreign ownership	Max 67% foreign ownership	
9.	Internet Interconnection Services (Network Access Point), Other Multimedia Services	61929	Max 49% foreign ownership	Max 67% foreign ownership	
10.	Operation of Telecommunication Network that is Integrated with Telecommunication Services	61921 61922 61923 61929	Max 65% foreign ownership	Max 67% foreign ownership	
11.	Telecommunication Devices Testing Body (Laboratory Tests)	61911	Max 95% foreign ownership	100% foreign ownership	
12.	Postal Services	53101 53102	- Max 49% foreign ownership - In accordance with the regulations and laws on postal services	Max 49% foreign ownership	The 2016 Negative List omitted the requirement to comply with relevant laws & regulations but did not change the obligation.

No.	Business Field	KBLI	2014	2016	Remarks
13.	Operator or Trade Transaction through Electronic System (platform-based market place, daily deals, price grabber, online classified advertisements) with Investment Value of less than Rp 100,000,000,000	00000		Max 49% foreign ownership	This business field was not listed in the 2014 Negative List.

## 12. Finance

No.	Business Field	KBLI	2014	2016	Remarks
1.	Investment Finance Company	64929 64910	Max 85% foreign ownership	Max 85% foreign ownership	A nomenclature change and used to be listed as Leasing and Non-leasing financing companies, which are (i) Consumer financing (ii) Credit card financing (iii) Other non-leasing financing (iv) Factoring financing
2.	Working Capital Finance Company	64992	Max 85% foreign ownership	Max 85% foreign ownership	
3.	Multipurpose Finance Company	64922 64923	Max 85% foreign ownership	Max 85% foreign ownership	
4.	Non-Bank Foreign Exchange Traders	66197	100% domestic ownership	100% domestic ownership	Used to be under banking category
5.	Brokerage Money Market Company	64190	Required a special license	Requires special license from OJK	Used to be under banking category



No.	Business Field	KBLI	2014	2016	Remarks
6.	Security funds	64993	-	Max 30% foreign ownership	
7.	Pension funds	65300	100% domestic ownership	-	No longer listed in 2016

### 13. Banking

No.	Business Field	KBLI	2014	2016	Remarks
1.	Conventional bank	64125 64126	A special licensing according to Law No. 7 of 1992 on Banking, Law No. 23 of 1999 on Bank Indonesia, and Law No. 21 of 2008 on Sharia Banking	A special licensing from Financial Services Authority (OJK)	Under the 2014 Negative List, bank was divided into: <ul style="list-style-type: none"> <li>- Non-foreign exchange bank (64123 and 65122);</li> <li>- Foreign exchange bank (64124 and 64125); and</li> <li>- Sharia bank (64131).</li> </ul>
2.	Sharia bank	64131	A special licensing according to Law No. 7 of 1992 on Banking, Law No. 23 of 1999 on Bank Indonesia, and Law No. 21 of 2008 on Sharia Banking	Requires special license from OJK	
3.	Money market broker company	64190	A special licensing according to Law No. 23 of 1999 on Bank Indonesia, and its amendments and	Requires special license from OJK	Under the 2016 Negative List, this business field is covered under the Finance sector.

No.	Business Field	KBLI	2014	2016	Remarks
			implementing regulations		
4.	Sharia rural bank (BPR)	64133	100% domestic ownership	100% domestic ownership	Under the 2014 Negative List, the KBLI No. for Sharia BPR was 64132.
5.	Foreign exchange trader	66126 66127	100% domestic ownership	100% domestic ownership	Under the 2014 Negative List, the KBLI No. for foreign exchange trader was 66197. According to the 2016 Negative List, foreign exchange trader is divided into KBLI No. 66126 and 66127 and is covered under the Finance sector.

#### 14. Manpower and Transmigration

No.	Business Field	KBLI	2014	2016	Remarks
1.	Indonesian Worker Placement Service in the country (such as registration, recruitment, document handling, shelter, pre-departure orientation, departure, placement and worker return)	78101	Max 49% foreign ownership	Max. 49% foreign ownership	
2.	Worker/Labor Service Provider (Registration process, recruitment, document handling,	78200	Max 49% foreign ownership	Max 49% foreign ownership	

No.	Business Field	KBLI	2014	2016	Remarks
	(among others work agreement), negotiation to obtain work from employer, employ worker/labor, such as cleaning service work, security, catering and other supporting work)				
3.	Work Training (to provide, obtain, enhance and develop work competency, productivity, discipline, attitude and work ethics among others in the area of technical vocation and engineering, business administration, language, tourism, management, information technology, art and agriculture directed to provide the work force in entering the working world)	85499 85492 85493 85494	Max 49% foreign ownership	Max 67% foreign ownership	<ul style="list-style-type: none"> <li>- Under the New Negative Investment List, the foreign ownership for this business field was increased from maximum 49% foreign ownership to maximum 67% of foreign ownership.</li> <li>- Under the New Negative Investment List, this Business Field is integrated with non-formal education business field (computer education services, private language education services, private beauty and personality education services and other private vocational education services), conducted by adding the KBLI 85492, 85493, 85494.</li> </ul>
4.	Indonesian Worker Placement Service for Overseas (recruitment process, document handling, education and training, shelter, predeparture preparation,	78102	100% domestic ownership	100% domestic ownership	

No.	Business Field	KBLI	2014	2016	Remarks
	Candidates of Indonesian Worker's/CTKI departure and return)				

### 15. Education

No.	Business Field	KBLI	2014	2016	Remarks
1.	Non-formal education - Computer education service - Private language education service - Private beauty and personality education service - Other private vocational education services	85492 85493 85494 85499	Max 49% foreign ownership	Max 67% foreign ownership	Under the 2016 Negative List, this business field is covered under the Manpower sector.
2.	Early age child education	85132 85133	Requires a special license according to Law No. 20 of 2003 on National Education System (Sisdiknas) and its implementing regulations	Requires a special license according to Law No. 20 of 2003 on National Education System (Sisdiknas) and its implementing regulations	Under the 2014 Negative List, the KBLI No. of this business field were 85602 and 85603.

16. Health

No.	Business Field	KBLI	2014	2016	Remarks
1.	Medicine Material Industry	21011	Max 85% foreign ownership	100% foreign ownership	
2.	Hospital Management Services and/or Management and Business Consultancy Services	70209	Max 67% foreign ownership	100% foreign ownership	
3.	Health Equipment Repair and Maintenance Calibration Testing Services	71204	Max 49% foreign ownership	Max 67% foreign ownership	<p>Further confirmation with BKPM may be required.</p> <p>Under the 2016 Negative List, 'Health Equipment Testing Institution' under KBLI No. 71205 (Calibration and Metrology (pursuant to KBLI 2009)) is the most relevant services with respect to 'Health Equipment Repair and Maintenance Calibration Testing Services' which was referred to as KBLI No. 71204 (Calibration and Metrology) under 2014 Negative List.</p> <p>KBLI No. 71205 was not regulated under the old KBLI 2009.</p>
4.	Acupuncture Services Facilities	86901	Max 49% foreign ownership	Max 49% foreign ownership	Change of nomenclature from 'Acupuncture Services' under the 2014 Negative List.

No.	Business Field	KBLI	2014	2016	Remarks
5.	Pest Control/ Fumigation Services	86903	100% domestic ownership	Max 67% foreign ownership	The 2016 Negative List consolidated 'Health Supporting Services (Assistance Services in Health Aid and Emergency Patient Evacuation)' (KBLI No. 86903) into these two business fields.
6.	Medical Evacuation and Ambulatory Services	86904	100% domestic ownership	Max 67% foreign ownership	
7.	Traditional Medicine/Natural Material Extract Industry/Business	21022	100% domestic ownership	100% domestic ownership	Change of nomenclature from 'Traditional Medicine Industry' under the 2014 Negative List.
8.	Pharmacy, Drug Store, Health Equipment Store, and Optical	47722 47723 47733	100% domestic ownership For Optical and Health Equipment Store: 100% foreign ownership	100% domestic ownership	The 2016 Negative List included 'Health Equipment Store' and 'Optical' (KBLI No. 47733) which were not included under the previous Negative List, while omitted 'Pharmacy Professional Practice'.
9.	Health Research Station Centre	72102	100% domestic ownership		The 2016 Negative List wrote this off, as its management shall be conducted by the Government instead private
10.	Basic Clinic: Private Maternity Hospital, General Medical Clinic Services, Residential Health Services, and Basic Health Service Facilities	86103 86104 86109	100% domestic ownership	100% domestic ownership	The 2016 Negative List consolidated this business field from: <ul style="list-style-type: none"> <li>- Private Maternity Hospital (86103)</li> <li>- Clinic General Medical Services/General Hospital (86104)</li> <li>- Residential Health Services</li> </ul>

No.	Business Field	KBLI	2014	2016	Remarks
					(86104) - Basic Health Services (86109)
11.	Private Practices by Health Personnel  - General Practitioners  - Medical Specialists  - Dentistry  - Health Services by Paramedical Practitioners  - Traditional Health Services	86201  86202  86203  86901  86902	100% domestic ownership		The 2016 Negative List wrote this off, as these are not business fields but individual practices.
12.	Hospital	86103	- Everywhere in Indonesia: Max 67% foreign ownership  - In all Provincial Capital Cities in Eastern Indonesia except Makassar and Manado: Max 70% foreign ownership	- Max 67% foreign ownership  - Max 70% foreign ownership for ASEAN Countries  - Can be conducted in all Provincial Capital Cities in Eastern Indonesia, except Makassar and Manado	Change of nomenclature from 'Hospital Services/Specialized/Subspecialized' under the 2014 Negative List.
13.	Main Clinic: Specialized Medical Clinic Services (CPC 9312), Specialized Dental Clinic Services (CPC 9312), Nursing	86109 86202 86203	- For Specialized Medical Clinic Services:  a. Everywhere in	- Max 67% foreign ownership  - Max 70% foreign ownership for ASEAN Countries	The 2016 Negative List consolidated this business field from:  - Specialized Medical Clinic Services

No.	Business Field	KBLI	2014	2016	Remarks
	Services (CPC 93191), Other Hospital Services (Medical Rehabilitation Clinic)	86901	<p>Indonesia: Max 67% foreign ownership</p> <p>b. In all Provincial Capital Cities in Eastern Indonesia except Makassar and Manado: Max 70% foreign ownership</p> <p>- For Specialized Dental Clinic Services:</p> <p>a. Everywhere in Indonesia: Max 67% foreign ownership</p> <p>b. In all Provincial Capital Cities in Eastern Indonesia except Makassar and Manado: Max 70% foreign ownership</p> <p>- For Nursing Services:</p> <p>a. Everywhere in Indonesia: Max 49% foreign ownership</p> <p>b. In Makassar and Manado: Max 51% foreign ownership</p>	<p>- Can be conducted in all Provincial Capital Cities in Eastern Indonesia, except Makassar and Manado</p>	<p>(86104)</p> <p>- Specialized Dental Clinic Services/General Hospital (86203)</p> <p>- Nursing Services (86901)</p> <p>- Other Hospital Services (86109)</p>



No.	Business Field	KBLI	2014	2016	Remarks
			c. In all Provincial Capital Cities Indonesia: Max 70% foreign ownership - For Other Hospital Services: Max 67% and can be conducted everywhere in Indonesia		
14.	Health Supporting Services (Medical Equipment Rental)	86903	Max 49% foreign ownership	100% foreign ownership	
15.	Health Supporting Services: - Clinic Laboratory - Medical Check Up Clinic	86903 86903	Max 67% foreign ownership	100% foreign ownership	
16.	Medical Equipment Distributor	46693	100% foreign ownership	- Max 49% foreign ownership - Special License from the Minister of Health	The 2014 Negative List did not include this business field.
17.	Health Equipment Industry: Class A (cotton, bandage, gauze, stick, IV pole, sanitary napkin, adult diaper, patient bed, wheelchair)	21012	100% foreign ownership	- Max 33% foreign ownership - Special License from the Minister of Health	The 2014 Negative List did not include this business field.
18.	Health Equipment Industry: Class B (surgical mask, syringe,	21012	100% foreign ownership	Requires special License from the Minister of Health	The 2014 Negative List did not include this business field.

No.	Business Field	KBLI	2014	2016	Remarks
	patient monitor, condom, surgical glove, hemodialysis fluid, PACS, surgical knives)				
19.	Health Equipment Industry: Class C (IV Catheter, X-Ray, ECG, Patient Monitor, Orthopedic Implant, Contact Lens, Oxymeter, Densitometer)	21012	100% foreign ownership	Requires special License from the Minister of Health	The 2014 Negative List did not include this business field.
20.	Health Equipment Industry: Class D (CT Scan, MRI, Cardiac Catheter, Cardiac Stents, HIV Tests, Pacemaker, Dormal Filler, Ablation Catheter)	21012	100% foreign ownership	Requires special License from the Minister of Health	The 2014 Negative List did not include this business field.
21.	Cell and Tissue Bank and Laboratory	86903	100% foreign ownership	Requires special License from the Minister of Health	

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27 May 2016