

REGULATION OF THE REGENCY OF SOUTH LAMPUNG
NUMBER 6 OF 2024
ON
PROVISION OF INCENTIVES AND EASE OF INVESTMENT
BY THE BLESSINGS OF ALMIGHTY GOD
REGENT OF SOUTH LAMPUNG,

Considering : that in order to implement the provisions of Article 7 section (1) of Government Regulation Number 24 of 2019 on Provision of Incentives and Ease of Investment in Regions, it is necessary to issue a Regional Regulation on Provision of Incentives and Ease of Investment;

Observing : 1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 23 of 2014 on Local Governments (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times, last by Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation to Become Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);
3. Law Number 34 of 2024 on South Lampung Regency in the Province of Lampung (State Gazette of the Republic of Indonesia of 2024 Number 140, Supplement to the State Gazette of the Republic of Indonesia Number 6955);
4. Government Regulation Number 12 of 2019 on Regional Financial Management (State Gazette of the Republic of Indonesia of 2019 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 6322);
5. Government Regulation Number 24 of 2019 on Provision of Incentives and Ease of Investment in Regions (State Gazette of the Republic of Indonesia of 2019 Number 63, Supplement to the State Gazette of the Republic of Indonesia Number 6573);
6. Regulation of the Regency of South Lampung Number 7 of 2016 on Formation and Composition of Regional Apparatus of the Regency of South Lampung (Regional Gazette of the Regency of South Lampung of 2019 Number 16, Supplement to the Regional Gazette of the Regency of

South Lampung Number 16), as amended several times, last by Regulation of the Regency of South Lampung Number 4 of 2023 on Second Amendment to Regulation of the Regency of South Lampung Number 7 of 2016 on Formation and Composition of Regional Apparatus of the Regency of South Lampung (Regional Gazette of the Regency of South Lampung of 2023 Number 35);

With the Joint Approval of
REGIONAL HOUSE OF REPRESENTATIVES OF
THE REGENCY OF SOUTH LAMPUNG
and
REGENT OF SOUTH LAMPUNG

HAS DECIDED:

To Issue: : REGIONAL REGULATION ON PROVISION OF INCENTIVES AND EASE OF INVESTMENT.

CHAPTER 1 GENERAL PROVISIONS

Article 1

In this Regional Regulation:

1. Region means Regency of South Lampung.
2. Local Government means the Regent as the local Government administrator element of the Regency of South Lampung who leads the implementation of government affairs that are the authority of the autonomous region of the Regency of South Lampung.
3. Regent means the Regent of South Lampung.
4. Regional Apparatus means an element that assists the Regent and the Regional House of Representatives in administering Government Affairs that become the authority of the Region.
5. Community means a person or group of people who are citizens of the Republic of Indonesia who own and/or carry out business activities in accordance with the provisions of legislation.
6. Investor means individual investors or business entities that invest, which can be domestic investors and foreign investors.
7. Capital means an asset in the form of money or other forms other than money owned by an investor that has economic value.
8. Micro Enterprise means productive businesses owned by individuals and/or individual business entities that meet the criteria for micro enterprises as regulated in the provisions of legislation on micro, small and medium enterprises.
9. Small Enterprise means a stand-alone productive economic enterprise, carried out by an individual or business entity that is not a subsidiary or branch of a company owned, controlled, or is part of either directly or indirectly a medium-sized business or large business that meets the criteria for a small enterprise as regulated in the

provisions of legislation on micro, small, and medium-sized enterprises.

10. Cooperative means a business entity whose members are individuals or cooperative legal entities, which base its activities on cooperative principles and at the same time is a people's economic movement based on the principle of family.
11. Provision of Incentives means fiscal policy support from the Local Government to the Community and/or Investors to increase investment in the region.
12. Provision of Ease means the provision of non-fiscal facilities from the Local Government to the Community and/or Investors to ease every investment activity and to increase investment in the Region.

Article 2

- (1) The purpose of establishing this Regional Regulation is to provide legal certainty and as a guideline for the Provision of Incentives and/or Ease of Investment in the Region.
- (2) The purpose of establishing this Regional Regulation is to:
 - a. increase investment in the Region;
 - b. increase economic growth of the Region;
 - c. create job opportunities;
 - d. increase capacity and competitiveness of the Region;
 - e. encourage the development of the people's economy; and
 - f. realize Community welfare.

Article 3

The provision of Incentives and/or Ease of Investment is carried out based on the principles of:

- a. legal certainty;
- b. equality;
- c. transparency;
- d. accountability; and
- e. effective and efficient.

Article 4

The scope regulated in this Regional Regulation includes:

- a. criteria for the Provision of Incentives and/or Ease of Investment;
- b. form of Provision of Incentives and/or Ease of Investment;
- c. procedures for Provision of Incentives and/or Ease of Investment;
- d. rights and obligations;
- e. period and frequency;
- f. evaluation and reporting; and
- g. coaching and supervision.

CHAPTER II

CRITERIA FOR PROVISIONS OF INCENTIVES AND EASE OF INVESTMENT

Article 5

- (1) The Provision of Incentives and/or Ease of Investment may be provided to the Community and/or Investors who:
 - a. does new businesses;

- b. does business expansion; and/or
- c. does business development.

(2) The Provision of Incentives and/or Ease of Investment is given to the Community and/or Investors with the following criteria:

- a. contributing to increase Community income;
- b. workforce expansion;
- c. using most of the local resources;
- d. contributing to improve public services;
- e. contributing to increase the regional gross domestic product;
- f. environmentally aware and sustainable;
- g. infrastructure development;
- h. conducting technology transfer;
- i. conducting pioneering industries;
- j. conducting research, development, and innovation activities;
- k. partnering with Micro Enterprises, Small Enterprises or Cooperatives;
- l. industries that use Capital goods, machinery or equipment produced domestically;
- m. conducting business activities in accordance with national and/or Regional priority programs; and/or
- n. export-oriented.

Article 6

(1) Local Government may prioritize the Provision of Incentives and/or Ease of Investment for certain types of businesses or certain activities.

(2) Certain types of businesses or certain activities as referred to in section (1) consist of:

- a. Micro Enterprises, Small Enterprises, and/or Cooperatives;
- b. businesses that require partnerships;
- c. businesses that require capital ownership;
- d. businesses that require certain locations;
- e. businesses that require special licensing;
- f. businesses that are open for investment that prioritizes the Superiority of the Region;
- g. businesses that have received investment facilities from the Central Government; and/or
- h. other businesses in accordance with the provisions of legislation.

CHAPTER II

FORMS OF THE PROVISION OF INCENTIVES AND EASE OF INVESTMENT

Article 7

(1) The Provision of Incentives can be in the form of:

- a. deduction, relief, or exemption of local taxes;
- b. deduction, relief, or exemption of local levies;
- c. provision of capital assistance to Micro, Small Enterprises, and/or Cooperative in the Region;
- d. assistance for research and development for Micro, Small Enterprises, and/or Cooperatives in the Region;

- e. assistance for vocational training facilities for Micro, Small Enterprises, and/or Cooperatives; and/or
- f. low loan interest.

(2) The Provision of Ease of Investment can be in the form of:

- a. provision of data and information on investment opportunities;
- b. provision of facilities and infrastructure;
- c. facilitation of land or location provision;
- d. provision of technical assistance;
- e. simplification and acceleration of licensing through one-stop integrated services;
- f. ease of access to marketing of production results;
- g. ease of direct construction investment;
- h. ease of investment in strategic areas stipulated in legislation that have the potential for development of the Region;
- i. provision of comfort and security for investing in the Region;
- j. ease of certification and standardization processes in accordance with the provisions of legislation;
- k. ease of access to ready-to-use and skilled worker;
- l. ease of access to raw material supplies; and/or
- m. facilitation of promotion in accordance with the authority of the Region;

CHAPTER IV

PROCEDURES FOR THE PROVISIONS OF INCENTIVES AND EASE OF INVESTMENT

Part One

General

Article 8

The Provision of Incentives and/or Ease of Investment to the Community and/or Investors is carried out through the following stages:

- a. application;
- b. verification and assessment; and
- c. determination.

Part Two

Application

Article 9

(1) The Community and/or Investors who meet the criteria and carry out certain types of businesses or activities as referred to in Article 5 and Article 6 may submit an application for the Provision of Incentives and/or Ease of Investment.

(2) Applications for the Provision of Incentives and/or Ease of Investment as referred to in section (1) that will undertake new business at least contain:

- a. company profile;
- b. business plan; and
- c. the form of Incentives and/or Ease Investment requested.

- (3) Applications for the Provision of Incentives and/or Ease of Investment as referred to in section (1) that will carry out business expansion at least contain:
 - a. company profile;
 - b. company performance;
 - c. business expansion plans;
 - d. business scope; and
 - e. the form of Incentives and/or Ease of Investment requested.
- (4) Application for the Provision of Incentives and/or Ease of Investment as referred to in section (1) which will conduct business development must at least contain:
 - a. company profile;
 - b. company performance;
 - c. business development plan;
 - d. business scope;
 - e. form of Incentives and/or Ease of Investment requested; and
 - f. period of application for Incentives and/or Ease of Investment.
- (5) Applications for the Provision of Incentives and/or Ease of Investment as referred to in section (2), section (3), and section (4) are submitted to the Regent through the Regional Apparatus administering government affairs in the field of investment.

Part Three Verification and Assessment

Article 10

- (1) The Regent forms a verification and assessment team to follow up on the application for the Provision of Incentives and/or Ease of Investment as referred to in Article 9.
- (2) The verification and assessment team as referred to in section (1) consists of:
 - a. Regional Apparatus administering government affairs in the field of investment;
 - b. Regional Apparatus administering government affairs in the field of industry and trade;
 - c. Regional Apparatus administering government affairs in the field of manpower;
 - d. Regional Apparatus administering government affairs in the field of cooperatives, and micro, small, and medium enterprises;
 - e. Regional Apparatus administering government affairs in the field of public works;
 - f. Regional Apparatus administering government affairs in the field of public settlements;
 - g. Regional Apparatus administering government affairs in the field of revenue; and
 - h. Other related Regional Apparatus.
- (3) The verification and assessment team as referred to in section (2) is coordinated by the Regional Apparatus administering government affairs in the field of investment.
- (4) The verification and assessment team as referred to in section (1) is determined by the Regent's Decision.

Article 11

The verification and assessment team as referred to in Article 10 has the following duties:

- a. verifying the completeness of the requirements for the application for the Provision of Incentives and/or Ease of Investment as referred to in Article 9;
- b. verifying the criteria as referred to in Article 5 and/or the type of business as referred to in Article 6.
- c. assessing the application for the Provision of Incentives and/or Ease of Investment; and
- d. providing recommendations to the Regent to accept or reject the application.

Article 12

Further provisions regarding the composition of the team and the work procedures for implementing the tasks of the verification and assessment team as referred to in Article 10 and Article 11 are regulated by the Regent's Regulation.

Part Four Determination

Article 13

- (1) The Regent decides to accept or reject all or part of the application for the Provision of Incentives and/or Ease of Investment submitted by the Community and/or Investors based on the recommendations of the verification and assessment team by means of a Regent's Decision.
- (2) The Regent's decision to reject an application for the Provision of Incentives and/or Ease of Investment is accompanied by the reasons for the rejection.
- (3) The Regent's decision accepting an application for the Provision of Incentives and/or Ease of Investment must at least contain the name and address of the applicant, business sector or investment activity, form of incentive and/or ease, incentive period and the rights and obligations of the recipient of the incentive and/or ease of investment.

Part Five Standard Operating Procedure

Article 14

- (1) The Provision of Incentives and/or Ease of Investment to the Community and/or Investors is carried out in accordance with standard operational procedures.
- (2) Standard operational procedures as referred in section (1) are prepared by the Regional Apparatus that carries out government affairs in the field of investment and are determined by the Regent.

CHAPTER V RIGHTS AND OBLIGATIONS

Article 15

The Community and/or Investors who are given Incentives and/or Ease of Investment have the right to:

- a. obtain information on services for the Provision of Incentives and/or Ease of Investment;
- b. obtain Incentives and/or Ease of Investment according to the established mechanism; and
- c. obtain the Provision of incentive and/ or Ease of Investment process services.

Article 16

- (1) The Community and/or Investors who are given Incentives and Ease of Investment are obligated to:
 - a. apply the principles of good corporate governance;
 - b. carry out corporate social responsibility;
 - c. respecting regional characteristics and culture based on community life values;
 - d. maintain environmental sustainability, creating safety, health, comfortability and welfare of workers; and
 - f. comply with all provisions of legislation.
- (2) Corporate social responsibility obligations as referred to in section (1) point b are excluded, for Micro Enterprises, Small Enterprises or Cooperatives.

Article 17

- (1) In the event that the recipient of Incentives and/or Ease of Investment does not carry out the obligations as referred to in Article 16, he/she will be subject to administrative sanctions.
- (2) Administrative sanctions as referred to in section (1) are in the form of:
 - a. verbal warning;
 - b. written warning; and
 - c. revocation of Provision of Incentive and/or Ease of Investment facilities.
- (3) Further provisions regarding administrative sanctions as referred to in section (2) are regulated in a Regent's Regulation.

CHAPTER VI PERIOD AND FREQUENCY

Article 18

The period for the Provision of Incentives and/or Ease of Investment to the Community and/or investors is a maximum of 2 (two) years.

Article 19

- (1) Frequency for the Provision of Incentives and/ or Ease of Investment to the Community and/or Investors who carry out new businesses is a maximum of 1 (one) time for the same business field.

- (2) Frequency for the Provision of Incentives and/ or Ease of Investment to the Community and/or Investors who will expand their business is a maximum of one time.
- (3) Frequency for the Provision of Incentives and/or Ease of Investment to the Community and/or Investor that will develop their business is a maximum of one time.

CHAPTER VII EVALUATION AND REPORTING

Article 20

- (1) The Community and/or Investors who receive Incentives and/or Ease of Investment submit reports to the Regent through the Regional Apparatus that carries out government affairs in the field of investment at least 1 (one) once a year.
- (2) The report as referred to in section (1) contains at least:
 - a. use of Incentives and/or Ease of investment; and
 - b. development of business activities.
- (3) The Community and/or investors who do not submit reports as referred to in section (1) will be subject to administrative sanctions in the form of:
 - a. verbal warning
 - b. written warning; and
 - c. revocation of facilities for the Provision of Incentives and/or Provision of Ease of Investment.
- (4) Further provisions regarding the procedures and format of the report as referred in section (1) are regulated in a Regent's Regulation.

Article 21

- (1) The Regent, through the Regional Apparatus administering government affairs in the field of investment, evaluates the effectiveness of the implementation of the Provision of Incentives and/or Ease of Investment that have been provided to the Community and/or Investors.
- (2) The evaluation as referred in section (1) is carried out at least 1 (one) once a year.

Article 22

The Provision of Incentives and/or Ease can be reviewed if based on the evaluation it no longer meets the criteria as referred in Article 5 or is contrary to the provisions of legislation.

Article 23

The Regent submits a report on the implementation of the Provision of Incentives and/or Ease of Investment in the Region to the Governor of Lampung once every 1 (one) year.

CHAPTER VIII COACHING AND SUPERVISION

Article 24

- (1) The Regent carries out guidance and supervision regarding the Provision of Incentives and/or Ease of Investment.

(2) The guidance and supervision as referred in section (1) is coordinated by the Regional Apparatus administering government affairs in the field of investment.

CHAPTER IX TRANSITIONAL PROVISIONS

Article 25

At the time this Regional Regulation comes into force:

- a. Provision of Incentives and/or Ease of Investment provided before this Regional Regulation comes into force, is declared to remain valid until the period for the Provision of Incentives and/or Ease of Investment ends; and
- b. Applications for the Provision of Incentives and/or Ease of Investment which are in the process of being submitted and until this Regional Regulation comes into force have not yet been granted, are processed based on this Regional Regulation.

CHAPTER X CLOSING PROVISION

Article 26

This Regional Regulation comes into force on the date of its promulgation.

In order that every person know hereof, it is ordered to promulgate this Regional Regulation by its placement in the Regional Gazette of the Regency of South Lampung.

Issued in Kalianda
on 3 December 2024
REGENT OF SOUTH LAMPUNG,

signed

NANANG ERMANTO

Promulgated in Kalianda
on 3 Desember 2024
REGIONAL SECRETARY OF THE REGENCY OF SOUTH LAMPUNG

signed

INTJI INDRIATI

REGIONAL GAZETTE OF THE REGENCY OF SOUTH LAMPUNG OF 2024
NUMBER 44

Jakarta, 24 November 2025
Has been translated as an Official Translation
on behalf of the Minister of Law
of the Republic of Indonesia
DIRECTOR GENERAL OF LEGISLATION,



**ELUCIDATION
OF
REGULATION OF THE REGENCY OF SOUTH LAMPUNG
NUMBER 6 OF 2024
ON
PROVISION OF INCENTIVES AND EASE OF INVESTMENT**

1. GENERAL

Capital investment is part of the implementation of the national economy and is placed as an effort to increase national and regional economic growth. Investment activities in the Regency of South Lampung have also played a role in increasing regional economic growth. The role of investment in the Regency of South Lampung includes workforce expansion, increasing community income, increasing empowerment of local potential and resources, increasing Regional Gross Domestic Product, and developing Micro Enterprises, Small Enterprises and Cooperatives.

Provision of Incentives and Ease of Investment in Regions is the mandate of Article 278 of Law Number 23 of 2014 on Local Governments as amended several times, last by Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation Law that regulates that Local Government Administrators involving the participation of the Community and the private sector in development of the Region and to encourage the participation of the community and the private sector, then Local Government Administrators can provide Incentives and/or Ease of Investment to the Community and/or Investors as regulated in Regional Regulation guided by the provisions of legislation, further regulated in Article 7 section (1) of Government Regulation Number 24 of 2019 on Provision of Incentives and Ease of Investment in Regions. Provision of Incentives and/or Ease of Investment to the Community and/or Investors is regulated by Regional Regulation. Based on this, the Local Government needs to establish Regional Regulation regarding Provision of Incentives and Ease of Investment.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Sufficiently clear.

Article 3

Point a

The term "legal certainty" means the principle that lays down laws and provisions of legislation as the basis for the Local Government in every policy and action in the Provision of Incentives and/or Ease of Investment.

Point b

The term "equality" means the same treatment of Investors without taking sides and benefiting a particular group, group or scale of business.

Point c

The term "transparency" means the openness of information in the the Provision of Incentive and/or Ease of Investment to the Community and/or Investors.

Point d

The term accountability means a form of responsibility for the Provision of Incentives and/or ease of Investment.

Point e

The term "effective and efficient" means rational and economic considerations and guarantees that have an impact on increasing productivity and public services

Article 4

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 16

Sufficiently clear.

Article 17.

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20
Sufficiently clear.

Article 21
Sufficiently clear.

Article 22
Sufficiently clear

Article 23
Sufficiently clear.

Article 24
Sufficiently clear.

Article 25
Sufficiently clear.

Article 26
Sufficiently clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF THE REGENCY OF SOUTH
LAMPUNG NUMBER 17