REGULATION OF THE MUNICIPALITY OF BINJAI NUMBER 3 OF 2023 ON

PROVISION OF INCENTIVES AND EASE OF INVESTMENT

BY THE BLESSINGS OF ALMIGHTY GOD

MAYOR OF BINJAI,

Considering: a.

- a. that investment is a significantly driving factor in economic growth to realize people's welfare, and can increase new job opportunities as well as means for the transfer of knowledge in City of Binjai;
- b. that Article 278 section (2) of Law Number 23 of 2014 on Local Governments and Article 7 of Government Regulation Number 24 of 2019 on Provision of Incentives and Ease of Investment in Region provides authority to the Local Government to provide incentives and ease of investment:
- c. that based on the considerations as referred to point a and point b, 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. Emergency Law Number 9 of 1956 on Establishment of Autonomous Region of Small Cities within the Province of North Sumatra (State Gazette of the Republic of Indonesia of 1956 Number 60, Supplement to the State Gazette of the Republic of Indonesia Number 1092);
- 3. Law Number 25 of 2007 on Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to the State Gazette of the Republic of Indonesia Number 4724) as last amended 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);

- 4. Law Number 26 of 2007 on Spatial Planning (State Gazette of the Republic of Indonesia of 2007 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 4725) as last amended 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);
- 5. Law Number 20 of 2008 on Micro, Small, and Medium Enterprises (State Gazette of the Republic of Indonesia of 2007 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4866) as last amended 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);
- 6. 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 9 of 2015 on the Second Amendment to Law Number 23 of 2014 on Local Governments (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);
- 7. Law Number 1 of 2022 on Financial Relations Between Central Government and Local Governments (State Gazette of the Republic of Indonesia of 2022 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6757);
- 8. Government Regulation Number 10 of 1986 on Changes to Territorial Boundaries of City of Binjai, Regency of Langkat, and Regency of Deli Serdang (State Gazette of the Republic of Indonesia of 1986 Number 11, Supplement to the State Gazette of the Republic of Indonesia Number 3322);
- 9. 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 6330);
- 10. Government Regulation Number 5 of 2021 on Establishment of Risk-Based Business Licensing (State Gazette of the Republic of Indonesia of 2021 Number 15, Supplement to the State Gazette of the Republic of Indonesia Number 6617);
- 11. Government Regulation Number 6 of 2021 on Establishment of Business Licensing in Regions (State Gazette of the Republic of Indonesia of 2021 Number 16, Supplement to the State Gazette of the Republic of Indonesia Number 6618);
- 12. Government Regulation Number 7 of 2021 on Ease, Protection, and Empowerment of Cooperatives and Micro,

- Small, and Medium Enterprises (State Gazette of the Republic of Indonesia of 2021 Number 17, Supplement to the State Gazette of the Republic of Indonesia Number 6619);
- 13. Government Regulation Number 10 of 2021 on Local Taxes and Levies in Terms of Supporting Ease of Doing Business and Regional Services (State Gazette of the Republic of Indonesia of 2021 Number 20, Supplement to the State Gazette of the Republic of Indonesia Number 6622):
- 14. Presidential Regulation Number 97 of 2014 on Implementation of One Stop Service (State Gazette of the Republic of Indonesia of 2014 Number 221);
- 15. Presidential Regulation Number 10 of 2021 on Investment Business Fields (State Gazette of the Republic of Indonesia of 2021 Number 61);

With the Joint Approval of THE HOUSE OF REPRESENTATIVES OF THE MUNICIPALITY OF BINJAI and THE MAYOR OF BINJAI

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 the City of Binjai.
- 2. Local Government means the Head of Region as an administering element of the Local Government, who leads the implementation of Government affairs as the Authority of Autonomous Region.
- 3. Local Government means the administration of government affairs by local government and the regional house of representatives according to the principles of autonomy and assistance tasks with the principle of the broadest autonomy in the system and principles of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.
- 4. Governor means the Governor of North Sumatera.
- 5. Mayor means the Mayor of Binjai.
- 6. Regional House of Representatives (*Dewan Perwakilan Rakyat Daerah*) of the Municipality of Binjai, hereinafter abbreviated as DPRD, means a regional house of representatives that serves as an administering element of the Local Government.
- 7. Office means a Regional Apparatus that administering government affairs in the field of Investment.
- 8. Regional Apparatus means an assisting element of Mayor and Regional House of Representatives in performing government affairs that are the authority of the Region.

- 9. Capital means an asset in the forms of money or other forms other than money that is owned by an Investor that has economic value.
- 10. Investment Incentives hereinafter referred to as Incentive, means all policy attempt provided by the Local Government to attract the interest of Investors to invest in the Region.
- 11. Ease of Investment hereinafter referred to as Ease means a support from the Local Government that can simplify and expedite Investment activities.
- 12. Provision of Investment Incentives in Region, hereinafter referred to as Provision of Incentives, means a fiscal policy support from the Local Government to the Community and/or Investors to increase investment in the Region.
- 13. Provision of Ease of Investment in Region hereinafter referred to as Provision of Ease, means the provision of non-fiscal facilitation from the Local Government to the Community and/or Investors to ease every investment activity and increase investment in the Region.
- 14. Investment in the Region, hereinafter referred to as Investment, means any form of investment activity by either domestic or foreign Investors to run business in the Region.
- 15. Investor hereinafter referred to as Investor, means any individuals or business entities that make an Investment in either domestic Investment and/or foreign Investment that receive Incentives and/or Ease.
- 16. Licensing means any form of approval to make an Investment that issued by the Government in accordance with the authority and provisions of legislation.
- 17. Non-licensing means any form of ease of service and fiscal facilitation, and information regarding Investment, in accordance with the provisions of legislation.
- 18. Local Taxes hereinafter referred to as Taxes, mean compulsory contributions to the Region, which are outstanding by individuals or entities that are coercive under the Law, without receiving direct compensation, and used for the needs of the Region for the greatest prosperity of the people.
- 19. Local Levies, hereinafter referred to as Levies mean local levies as a payment for services or granting certain permits that are specifically provided and/or granted by the Local Government for the benefit of individuals or Agencies.
- 20. Micro Enterprise means productive businesses owned by individuals and/or individual business entities that satisfy the criteria of Micro Enterprises.
- 21. Small Enterprise means an independently productive economic entity, conducted by an individual or business entity that is not a subsidiary or branch owned by, controlled by a company or a part of either directly or indirectly a Medium Enterprise or large business that satisfies the criteria of Small Enterprises.
- 22. Medium Enterprise means an independently productive economic entity, conducted by individuals or business

- entities that are not a subsidiary or branch of owned by, controlled by a company or a part of either directly or indirectly a Small Enterprise or large business that satisfies the criteria of Medium Enterprises.
- 23. Cooperatives mean business entities whose members are individuals or legal entities of Cooperatives by underlying their activities on the principles of Cooperatives as well as a people's economic movement based on the principle of cooperation.
- 24. One Stop Service (*Pelayanan Terpadu Satu Pintu*), hereinafter abbreviated as PTSP, means an activity for organizing licensing and non-licensing whose management process starting from the application stage to the issuance of documents is conducted in one place.
- 25. Local wisdom means the noble values that apply in the order of people, such as protecting works, creations, arts, and or cultures that have economic and/or cultural value.
- 26. Verification Team of Assessment of the Provision of Incentives and Ease of Investment hereinafter referred to as Verification Team means a team that verifies, assesses, provides recommendations, and monitors and evaluates the Provision of Incentives and/or Ease of Investment in the Region.
- 27. Guidance means an activity of guidance to investors to realize their investment and facilitation of problem-solving/obstacles in the Investment activities.
- 28. Supervision means an effort or activity carried out to prevent and reduce the occurrence of deviations in the Investment and the imposition of sanctions for violations/deviations of the provisions of legislation.

CHAPTER II PURPOSE, OBJECTIVES, AND PRINCIPLES

Article 2

The Provision of Incentives and/or Provision of Ease is intended to attract or stimulate Investors to invest their capital in the Region.

Article 3

Provision of Incentives and/or Provision of Ease aims to:

- a. create job opportunities;
- b. increase sustainable economic development;
- c. increase the competitiveness of the Region;
- d. encourage the development of the people's economy;
- e. process potential economy into real economic strength by using funds from domestic and overseas;
- f. increase growth and equity of economy in the Region; and
- g. improve the welfare and prosperity of the community.

Article 4

Provision of Incentives and/or Provision of Ease is based on the following principles:

- a. legal certainty;
- b. equality;
- c. transparency;

- d. accountability; and
- e. effectiveness and efficiency.

CHAPTER III RIGHTS, OBLIGATIONS, AND RESPONSIBILITIES OF INVESTORS

Article 5

Every Investor is entitled to receive Incentives and/or Ease in the forms of:

- a. obtaining information and services for Provision of Incentives and/or Provision of Ease;
- b. receiving Incentives and/or Ease through the established mechanisms and in accordance with prevailing legislation:
- c. acquiring services related to the process of granting, implementing and supervising Investment; and
- d. obtaining information on the evaluation results of the development of Incentives and/or Ease of Investment acceptance.

Article 6

Every Investor who obtains Incentives and/or Ease is obligated to:

- a. draft a report on the use of opportunities to obtain Incentives and/or Ease of Investment;
- b. comply with regulations on Provision of Incentives and/or Ease:
- c. provide Capital originating from Capital sources that is not contrary with the provisions of legislation;
- d. create a stable business climate with healthy business competition, prevent monopolistic practices and other things that harm the State/Region;
- e. maintain the sustainability of the environment, social and culture of the community;
- f. establish occupational safety, health, comfort, and welfare for workers; and
- g. participate in improving the welfare of the community.

Article 7

Investors who receive Incentives and/or Ease are responsible for:

- a. ensuring the availability of Capital originating from sources that are not contrary with the provisions of legislation;
- b. incurring and settling down any obligations and losses if Investors ceases, leaves or abandons their business activities unilaterally in accordance with the provisions of legislation;
- c. creating a stable business climate with a healthy business competition, preventing monopolistic practices and other things that harm the State/Region;
- d. maintaining environmental sustainability; and
- e. establishing occupational safety, health, comfort and welfare for the workers.

CHAPTER IV FORMS OF INCENTIVES AND EASE OF INVESTMENT

Article 8

- (1) Provision of Incentives can be in the forms of:
 - a. reduction, relief or exemption from Local Taxes;
 - b. reduction, relief, or exemption from Local Levies;
 - c. provision of Capital assistance to Micro, Small Enterprises, and/or Cooperatives 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 in the Region; and/or
 - f. low loan interest.
- (2) Provision of Ease can be in the forms of:
 - a. provision of data and information on investment opportunities;
 - b. provision of means and infrastructure;
 - c. facilitation of land or location provision;
 - d. provision of technical assistance;
 - e. simplification and acceleration of licensing through PTSP;
 - f. ease of access to marketing of production results;
 - g. ease of direct investment in construction;
 - h. ease of investment in strategic areas stipulated legislation that have the potential for development in the Region;
 - i. provision of convenience and security for investing in the Region;
- (3) Further provisions regarding the details of the Provision of Incentives and/or Provision of Ease as referred to in section (1) and section (2) are stipulated in a Mayor Regulation.

Article 9

- (1) The Local Government may provide one or more forms of Incentives and/or Ease as referred to in Article 8 to 1 (one) Investor.
- (2) The Provision of Incentives and/or Provision of Ease as referred to in section (1) is provided in accordance with the authority, conditions, financial capabilities of the Region and legislation.

CHAPTER V

CRITERIA FOR PROVISION OF INCENTIVES AND EASE OF INVESTMENT

Article 10

- (1) Local Government can provide Incentives and/or Ease to old or new Investors.
- (2) The new Investors as referred to in section (1) are investors who are starting to establish a new business.

- (3) The old Investors as referred to in section (1) are Investors who will expand their business.
- (4) Provision of Incentives and/or Provision of Ease is granted to Investors who at least satisfy one of the following criteria:
 - a. providing contribution to increase the community income;
 - b. absorbing workers;
 - c. using most of the local resources;
 - d. providing contribution to improve public services;
 - e. providing contribution to increase the gross regional domestic product;
 - f. being environmentally aware and sustainable;
 - g. infrastructure development;
 - h. conducting technology transfer;
 - i. performing pioneering industries;
 - j. conducting research, development, and innovation activities;
 - k. partnering with Micro, Small Enterprises, or Cooperatives;
 - 1. industries that use Capital goods, machinery, or equipment produced domestically;
 - m. conducting business activities in accordance with the priority programs of the Region; and/or
 - n. export-oriented.

CHAPTER VI

TYPES OF PRIORITIZED BUSINESSES OR INVESTMENT ACTIVITIES TO ACHIEVE INCENTIVES AND EASE OF INVESTMENT

Article 11

Types of Business or Investment Activities that are prioritized to receive Incentives and/or Ease include:

- a. Micro, Small Enterprises and/or Cooperatives;
- b. businesses that are required by partnership;
- c. businesses that are required by ownership of Capital;
- d. businesses that are required by a certain site;
- e. businesses that are required by employing a certain number of local workers;
- f. businesses that are open for Investment that prioritizes superior products in the Region;
- g. businesses that have received Investment facilities from the Government; and/or
- h. businesses that contribute to improve public services.

Article 12

The Micro Enterprises and Cooperatives as referred to in Article 11 point a apply to Micro, Small Enterprises and/or cooperatives that have business licensing.

Article 13

The businesses that are required by partnerships as referred to in Article 11 point b apply to Investors who joint into partnerships with Micro, Small Enterprises and/or Cooperatives.

The businesses that are required by ownership of Capital as referred to in Article 11 point c apply to Investors with the specified criteria of Capital amount.

Article 15

- (1) The businesses that are required by a certain site as referred to in Article 11 point d apply to Investors who engage business at a site determined by the Local Government based on Regional Spatial Planning and/or Local Government Programs.
- (2) The Local Government determines the business site as referred to in section (1) by prioritizing the underdeveloped Region.
- (3) The certain sites that are a priority in the Provision of Incentives and/or Provision of Ease of Investment are determined by a Decision of Mayor.

Article 16

- (1) The businesses that are required by employing a certain number of local workers as referred to in Article 11 point e apply to Investors who employ local workers with the stipulated criteria of the number of workers.
- (2) The criteria parameters for the number of workers as referred to in section (1) can be determined by a certain number or percentage.

Article 17

- (1) The businesses that are open for Investment that prioritizes superior products in the Region as referred to in Article 11 point f apply to Investors who manufacture products that have characteristic of the Region and/or local wisdom-based products.
- (2) The businesses as referred to in section (1) are businesses of which capital ownership is limited liability.

Article 18

The businesses that have received Investment facilities from the Government as referred to in Article 11 point g apply to Investors who receive Capital participation from the Central Government, Provincial Government, and/or Local Government.

Article 19

The businesses that contribute to improve public services as referred to in Article 11 point h apply to Investors who implement corporate social responsibility (CSR) programs in providing/improving public services.

Article 20

Further provisions regarding the criteria Parameters for certain types or business activities that are prioritized to receive Incentives and/or Ease are regulated by a Mayor Regulation.

CHAPTER VII PROCEDURES FOR PROVISION OF INCENTIVES AND EASE OF INVESTMENT

Article 21

- (1) Investors who wish to obtain Incentives and/or Ease must apply to the Mayor through the Office.
- (2) The application as referred to in section (1) is submitted by attaching the following requirements:
 - a. a photocopy of the applicant's identity;
 - b. single business number (NIB);
 - c. a photocopy of taxpayer identification number;
 - d. information and/or data supporting the criteria for Provision of Incentives and/or Provision of Ease as referred to in Article 10 section (4).
- (3) Further provisions regarding the requirements for applying for Incentives and/or Ease are regulated by a Mayor Regulation.

Article 22

- (1) Mayor assesses applications for Incentives and/or Ease as referred to in Article 21.
- (2) In conducting the assessment as referred to in section (1), Mayor forms a Verification Team.
- (3) Tasks of the Verification Team as referred to in section (2) consist of:
 - a. verifying the completeness of the proposal requirements that must be satisfied;
 - b. conducting an assessment of each criterion in a measurable manner;
 - c. performing an assessment to determine the form and/or amount of Provision of Incentives and/or Provision of Ease;
 - d. submitting the assessment results in the form of recommendations to the Mayor.
- (4) The Verification Team as referred to in section (2) is coordinated by the Office.
- (5) The Verification Team as referred to in section (2) is determined by a Decision of Mayor.

Article 23

- (1) In conducting the assessment, the Verification Team coordinates with the relevant Regional Apparatus.
- (2) In the event of any deficiencies in the application requirements as referred to in Article 21 section (2), the Verification Team notifies the applicant.
- (3) The applicant must complete the deficiencies in the requirements as referred to in section (2) not later than 3 (three) days since being notified.
- (4) The assessment results of the Verification Team are submitted to the Mayor in the form of a recommendation for approval or rejection.
- (5) In the event that the assessment results are in the form of a recommendation of being approved, it must be accompanied by a proposal for the form and/or amount of Incentives and/or Ease to be provided.

(6) In the event that the assessment results are in the form of a recommendation of being rejected, the files will be returned to the applicant accompanied by the reasons for the rejection.

Article 24

- (1) Mayor determines the Provision of Incentives and/or Provision of Ease based on the results of the assessment as referred to in Article 23 section (5).
- (2) The Decision of Mayor as referred to in section (1) is issued not later than 6 (six) work days as of the recommendation date from the Verification Team recommendation is received by the Mayor.
- (3) The Decision of Mayor as referred to in section (1) at least contains:
 - a. applicant's name;
 - b. applicant's address;
 - c. investment activities;
 - d. form of Incentive and/or Ease;
 - e. period of Incentive and/or Ease; and
 - f. rights and obligations of recipients of Incentive and/or Ease.
- (4) Provisions regarding standard operating procedures for implementing assessments and Provision of Incentives and/or Provision of Ease are stipulated in a Mayor Regulation.

CHAPTER VIII PERIOD OF PROVISION OF INCENTIVES AND EASE OF INVESTMENT

Article 25

- (1) The period for Provision of Incentives and/or Provision of Ease to Investors is no longer than 5 (five) years.
- (2) Investors receiving Incentives and/or Ease who have exceeded the period as referred to in section (1) may resubmit an application for Incentives and/or Ease.

CHAPTER IX REPORTING AND EVALUATION

Part One Reporting

Article 26

- (1) Investors receiving Incentives and/or Ease must submit a report to the Office at least once in 1 (one) year.
- (2) The report as referred to in section (1) contains developments in the use of Incentives and/or Ease.

Article 27

(1) The Office reports the results of the Provision of Incentives and/or Ease as referred to in Article 26 section (2) to the Mayor.

(2) Reports on the results of the Provision of Incentives and/or Ease as referred to in section (1) are performed periodically, not later than once every 3 (three) months.

Article 28

Mayor submits a report on the progress of the Provision of Incentives and/or Ease to the Governor periodically once in 1 (one) year.

Part Two Evaluation

Article 29

- (1) Mayor evaluates the effectiveness of the implementation of the Provision of Incentives and/or Provision of Ease that have been provided to Investors based on the Office report.
- (2) The evaluation as referred to in section (1) is conducted at least once in 1 (one) year.

Article 30

The Provision of Incentives and/or Provision of Ease can be reviewed if based on an evaluation it no longer meets the criteria as referred to in Article 10 section (4) or is in conflict with the provisions of legislation.

CHAPTER X GUIDANCE AND SUPERVISION

Article 31

- (1) Guidance regarding the implementation of the Provision of Incentives and/or Ease is conducted by the Mayor.
- (2) The Guidance activities as referred to in section (1) are performed through:
 - a. dissemination, workshops, technical guidance and/or investment dialogue regarding the provisions for implementing Investment;
 - b. provision of consultation on controlling the implementation of investment in accordance with the provisions of legislation; and
 - c. facilitation of the resolution of problems dealt by Investors in realizing Investment.
- (3) The Guidance as referred to in section (1) may be delegated to the Office.

Article 32

- (1) Supervision of the implementation of the Provision of Incentives and/or Provision of Ease is performed by the relevant Functional Supervisory Apparatus and in coordination with the Office.
- (2) The supervision procedures as referred to in section (1) are further regulated by a Mayor Regulation.

CHAPTER XI CLOSING PROVISION

Article 33

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

In order for everyone person may know hereof, it is ordered to promulgate this Regional Regulation by its placement in the Regional Gazette of the Municipality of Binjai.

> Issued in Binjai on 3 August 2023

MAYOR OF BINJAI,

signed

AMIR HAMZAH

Promulgated in Binjai on 3 August 2023

REGIONAL SECRETARY
OF THE MUNICIPALITY OF BINJAI,

signed

IRWANSYAH NASUTION

REGIONAL GAZETTE OF THE MUNICIPALITY OF BINJAI OF 2023 NUMBER 3

Jakarta, 12 December 2024

Has been translated as an Official Translation on behalf of the Minister of Law of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,

DHAHANA PUTRA

ELUCIDATION OF REGULATION OF THE MUNICIPALITY OF BINJAI NUMBER 3 OF 2023

ON

PROVISION OF INCENTIVES AND EASE OF INVESTMENT

I. GENERAL

Investment activities have become a part of the implementation of the national economy and are positioned as an effort to increase national economic growth and regional economy.

Investment activities in City of Binjai have played a significant role, including in increasing community income, absorbing local workers, empowering local resources, improving public services, increasing Gross Regional Domestic Product, and developing micro, small enterprises, and cooperatives.

Regional efforts to increase investment through providing incentives and/or ease for investors are relatively low and tend to be counterproductive. It is indicated by, such as, many regional regulations on local taxes and levies and other levies that actually burden business actors, including investors, which results in declining regional and national competitiveness in the investment sector.

Regulation on the provision of incentives and provision of Investment in the Region are regulated in Government Regulation Number 24 of 2019 on Guidelines for Provision of Incentives and Ease of Investment in Region.

Thus, it is necessary to issue a Regional Regulation on Provision of Incentives and Ease of Investment in City of Binjai, guided by Regulation of the Minister of Home Affairs Number 138 of 2017 on Implementation of Regional One Stop Services.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Sufficiently clear.

Article 3

Sufficiently clear.

Point a

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

Point b

The term "principle of equality" means the equal treatment to investors without siding with or benefiting one particular group, class or scale of business.

Point c

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

Point d

The term "principle of Accountability" means the form of responsibility for the Provision of Incentives and/or Provision of Ease of Investment.

Point e

The term "principle of effectiveness and efficiency" means rational and economic considerations and guarantees that have an impact on increasing productivity and public services.

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 15

Sufficiently clear.

Sufficiently clear.

Article 17

Section (1)

The term "products that have characteristic of the region" means businesses that produce products that are popularly originated from City of Binjai, such as:

- 1. Binjai's Ifumie; and
- 2. Processed food from rambutan;

The "local wisdom-based products" means a business that produces products that are known to be identical to the culture/customs and traditions of the community of City of Binjai, such as:

- 1. woven fabrics;
- 2. carvings;
- 3. calligraphy;
- 4. handicrafts made from local bamboo, clay, sand, wood, stone, paper, plastic, and metal;
- 5. batik; and
- 6. embroidery;

Section (2)

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.

Article 27

Sufficiently clear.

Sufficiently clear.

Article 29

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF MUNICIPALITY OF BINJAI NUMBER 46