

REGULATION OF THE MUNICIPALITY OF CIREBON
NUMBER 3 OF 2024
ON
INVESTMENT

BY THE BLESSINGS OF ALMIGHTY GOD

MAYOR OF CIREBON,

Considering : a. that in order to create a conducive business and investment climate, it is necessary to provide ease and certainty in conducting business for investors in Cirebon City;

b. that the administration of investment in Cirebon City is expected to enhance competitiveness, expand employment opportunities, and empower local resources in order to improve community welfare;

c. that Regulation of the Municipality of Cirebon Number 2 of 2018 on Investment is no longer in accordance with current legislation, and therefore needs to be replaced;

d. that based on the considerations as referred to in point a, point b, and point c, it is necessary to issue a Regional Regulation on Investment;

Observing : 1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;

2. Law Number 16 of 1960 on Establishment of Major City Areas within the Provinces of East Java, Central Java, West Java, and within the Special Region of Jogjakarta

(State Bulletin of the Republic of Indonesia of 1950 Number 45), as amended several times, last by Law Number 13 of 1954 on Amendment to Law Number 16 and 17 of 1950 (Former Republic of Indonesia) on Establishment of Major Cities and Small Cities in Java (State Gazette of the Republic of Indonesia of 1954 Number 40, Supplement to the State Gazette of the Republic of Indonesia Number 551);

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 amended by Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into 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 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 into 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. 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);
6. Government Regulation Number 5 of 2021 on Implementation 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);

7. Government Regulation Number 6 of 2021 on Implementation 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);
8. Presidential Regulation Number 10 of 2021 on Investment Business Sectors (State Gazette of the Republic of Indonesia of 2021 Number 61), as amended by Presidential Regulation Number 49 of 2021 on Amendment to Presidential Regulation Number 10 of 2021 on Investment Business Sectors (State Gazette of the Republic of Indonesia of 2021 Number 128);

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

HAS DECIDED:

To issue : REGIONAL REGULATION ON INVESTMENT.

CHAPTER I
GENERAL PROVISIONS

Part One
Definition

Article 1

In this Regional Regulation:

1. City Region means the Region of Cirebon City.
2. Mayor means the Mayor of Cirebon.
3. Municipal Government means the Mayor as an element of Local Government administration who oversees the implementation of government affairs that fall under the authority of the autonomous region.

4. Regional Apparatuses mean supporting elements of the Mayor and the Regional House of Representatives in the administration of government affairs under the authority of the region.
5. Investment and One-Stop Integrated Service Office (*Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu*), hereinafter referred to as DPMPTSP, means a Regional Apparatus responsible for carrying out government duties and functions in the field of investment under the authority of the City Region.
6. Capital means an asset in the form of money or other non-monetary forms owned by investors that has economic value.
7. Domestic Capital means capital owned by the Republic of Indonesia, individual Indonesian citizens, or business entities, whether incorporated or unincorporated.
8. Foreign Capital means capital owned by foreign countries, individual foreign citizens, foreign business entities, foreign legal entities, and or Indonesian legal entities, whose capital is partially or wholly owned by foreign parties.
9. Investment means any form of activity of investing Capital, either by Domestic Investors or Foreign Investors, to run business within the Region.
10. Investor means an individual or a business entity that carries out Investment, which can be in the form of Domestic Investors or Foreign Investors.
11. Domestic Investor means an individual Indonesian citizen, an Indonesian business entity, the Republic of Indonesia, or a region that invests capital within the territory of the Republic of Indonesia.
12. Foreign Investor means a foreign individual, foreign business entity, and/or foreign government that carries out investment in the territory of the Republic of Indonesia.
13. General Plan of Investment (*Rencana Umum Penanaman Modal*), hereinafter abbreviated to RUPM, means a

Regional investment planning document prepared and determined by the Mayor, which refers to the National RUPM, West Java Provincial RUPM, the Regional long-term development plan, the Regional medium-term development plan, Regional spatial planning, and potential development priorities.

14. Investment Activity Report (*Laporan Kegiatan Penanaman Modal*), hereinafter abbreviated to LKPM, means a report on the progress of Investment realization, production realization, social and environmental responsibility, the implementation of business partnerships during the commercial stage, conducting training and transferring technology to Indonesian workers, and the problems faced by business actors, which are required to be prepared and submitted periodically.
15. Investment Facilities mean all forms of fiscal and non-fiscal incentives as well as conveniences in Investment services, in accordance with the provisions of legislation.
16. Provision of Incentives means the support from the Local Government to the community and/or investors to enhance investment in the City Region.
17. Provision of Ease means the provision of non-fiscal facilities by the Local Government to the community and/or investors to facilitate every investment activity and to enhance investment in the Region.
18. One-Stop Integrated Service (*Pelayanan Terpadu Satu Pintu*), hereinafter abbreviated to PTSP, means an integrated service within a unified process, starting from the application stage to the completion of the service product through a single stop.
19. Licensing means all forms of approval for conducting investment activities issued by the Government and Local Government that have the authority in accordance with the provisions of legislation.
20. Non-licensing means all forms of service facilitation, fiscal and non-fiscal facilities, and information in accordance with the provisions of legislation.

21. Business Licensing means the legality granted to business actors to start and run their business and/or activities.
22. Risk-Based Business Licensing means Business Licensing based on the level of risk of the business activity.
23. Online Single Submission System, hereinafter referred to as the OSS System, means an integrated electronic system managed and organized by the OSS Institution for the implementation of Risk-Based Business Licensing.
24. Business Actor means individuals or business entities running business and/or activities in certain fields.
25. Business Entity means a business entity whether incorporated or unincorporated established in the territory of the Unitary State of the Republic of Indonesia and running business and/or activities in certain fields.
26. Business Fields mean all forms of business activities undertaken to produce goods or services in the economic sector.
27. Micro Enterprise means productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated by the law on micro, small, and medium enterprises.
28. Cooperatives mean a business entity whose members consist of individuals or Cooperative legal entities that base their activities on Cooperative principles while also serving as a people's economic movement based on the principle of cooperation.
29. Supervision means an effort to ensure the implementation of business activities in accordance with the standards for the implementation of business activities, carried out through a risk-based approach and obligations that must be fulfilled by business actors.
30. Regional Government Apparatus Organizations (*Organisasi Perangkat Daerah*), hereinafter abbreviated as OPD, mean organizations or institutions within the Local Government that are accountable to the Regional Head in the administration of regional governance.

Part Two
Principles

Article 2

Investment is carried out based on the following principles:

- a. legal certainty;
- b. transparency;
- c. accountability;
- d. equal treatment and non-discrimination based on country of origin;
- e. inclusiveness;
- f. equitable efficiency;
- g. sustainability;
- h. environmental awareness;
- i. independence; and
- j. balance in progress and national economic unity.

Part Three
Purpose and Objectives

Article 3

- (1) The purpose of Investment is to serve as a guideline for the implementation of Investment in the City Region.
- (2) The objectives of Investment are:
 - a. to increase the economic growth of the Region;
 - b. to expand employment opportunities;
 - c. to enhance sustainable economic development;
 - d. to improve the competitiveness of local businesses;
 - e. to increase technological capacity and capability;
 - f. to promote the development of a people-based economy;
 - g. to transform potential economic resources into real economic strength using funds sourced both domestically and internationally; and
 - h. to improve public welfare.

Part Four
Scope

Article 4

The scope of this Regional Regulation includes:

- a. the authority of Municipal Government;
- b. Investment policy;
- c. planning and development of the Regional Investment climate;
- d. Investment promotion;
- e. Investment services, Business Licensing Services, licensing and non-licensing services;
- f. protection and empowerment of businesses;
- g. rights and obligations in Investment;
- h. incentives and ease of Investment;
- i. Investment supervision;and
- j. reporting.

Part Five
Targets

Article 5

The Investment targets are:

- a. enhancing a conducive investment ecosystem;
- b. enhancing the infrastructure supporting Investment;
- c. enhancing human resource capabilities;
- d. increasing the number of investors;and
- e. increasing Investment realization.

CHAPTER II
AUTHORITY OF MUNICIPAL GOVERNMENT

Article 6

- (1) The authority of the Local Government in conducting Investment implementation includes:
 - a. determination of the provision of facilities or incentives in the field of Investment;

- b. the creation of an investment potential map;
 - c. the organization of investment promotion;
 - d. granting Business Licensing in the field of Investment that fall under the authority of the City Region;
 - e. control of Investment implementation;and
 - f. management of integrated data and information on Business Licensing, Licensing, and non-licensing.
- (2) In order to implement the authority as referred to in section (1), the Municipal Government establishes Investment policies.

CHAPTER III INVESTMENT POLICY

Article 7

- (1) The establishment of Investment policies as referred to in Article 7 section (2) is carried out to:
- a. encourage the creation of a conducive Regional business climate to enhance the competitiveness of the City Region;
 - b. accelerate the enhancement of Investment and ease of investment;
 - c. create opportunities for growth and provide protection and empowerment to micro-enterprises and cooperatives;and
 - d. encourage the expansion of employment placement opportunities in the City Region.
- (2) The Investment policies as referred to in section (1) are implemented through:
- a. providing equal treatment to Investors while considering the interests of the City Region;
 - b. ensuring legal certainty, business certainty, and business security for investors, from the process of licensing arrangements to the completion of Investment activities in accordance with the provisions of legislation;

- c. developing and providing protection and/or opportunities for Investment to micro-enterprises and cooperatives;
 - d. provision of investment-friendly regulations;
 - e. efficient and effective investment promotion;
 - f. optimization of processing, presentation, and utilization of data and information from an integrated electronic business licensing service system;
 - g. enhancing the orientation of environmentally awareness investment activities; and
 - h. implementation of corporate social responsibility policies for the surrounding community and local government near the investment location.
- (3) The investment policies as referred to in section (1) are realized in the RUPM in the City Region.

CHAPTER IV

PLANNING AND DEVELOPMENT OF REGIONAL INVESTMENT CLIMATE

Part One

Investment Planning

Article 8

- (1) Investment planning is prepared in the form of a Regional RUPM.
- (2) The Regional RUPM as referred to in section (1) contains strategies and directions for Regional Investment policies.
- (3) The Regional RUPM as referred to in section (1) is prepared by taking into consideration:
 - a. the National RUPM;
 - b. the RUPM of West Java Province;
 - c. the Regional long-term development plan;
 - d. the Regional medium-term development plan;
 - e. the Regional spatial plan; and
 - f. Regional potential development priorities.

- (4) Further provisions regarding the Regional RUPM as referred to in section (1), section (2), and section (3) are regulated in a Mayor Regulation.

Part Two

Development of Investment Climate

Article 9

- (1) The development of the Investment climate includes:
 - a. the determination of the provision of facilities/incentives in the field of Investment;
 - b. mapping the potential and opportunities for Investment, as well as documenting them electronically; and
 - c. providing facilitation, empowerment, and protection for Cooperatives and micro-enterprises.
- (2) The determination of the provision of facilities/incentives in the field of Investment as referred to in section (1) point a is carried out in accordance with the provisions of legislation.
- (3) Mapping the potential and opportunities for Investment as referred to in section (1) point b is carried out by DPMPTSP.
- (4) The provision of ease as referred to in section (1) point c is carried out by Regional Apparatuses that have duties and functions in the field of Cooperatives and Micro Enterprises.

CHAPTER V

INVESTMENT PROMOTION

Article 10

- (1) The Municipal Government carries out Investment promotion.
- (2) The Investment promotion includes:
 - a. innovative strategies for investment promotion which are efficient and effective;

- b. enhancing the role of coordination in Investment promotion with the ministry of investment/investment coordinating board, DPMPTSPs from other Provinces, DPMPTSPs from other regencies/cities, and relevant agencies; and
 - c. proactively strengthening the facilitation role of promotional activity outcomes to transform Investment interest into investment realization.
- (3) The Investment promotion as referred to in section (1) is carried out through:
- a. guidance and consultation;
 - b. exhibitions;
 - c. business meetings;
 - d. investment seminars;and
 - e. dissemination of Investment information through print and electronic media.
- (4) The implementation of Investment promotion as referred to in section (1) is coordinated by DPMPTSP.

CHAPTER VI

INVESTMENT SERVICES, BUSINESS LICENSING SERVICES, LICENSING AND NON-LICENSING SERVICES

Part One

Investment Services

Article 11

The implementation of the administration of Investment services includes:

- a. PTSP;
- b. Business Sector;
- c. Investors; and
- d. form of business entity.

Paragraph 1

PTSP

Article 12

- (1) The implementation of PTSP aims to:
 - a. provide protection and legal certainty to the public;
 - b. shorten the service process;
 - c. realize a service process that is fast, simple, affordable, transparent, certain, and accessible;and
 - d. bring services closer and provide broader access to the public.
- (2) The Municipal Government implements PTSP for Investment in the form of Risk-Based Business Licensing, Licensing, and Non-Licensing.
- (3) In carrying out the Risk-Based Business Licensing, Licensing, and Non-Licensing services, the Mayor delegates their authority to the head of the DPMPTSP.
- (4) The Risk-Based Business Licensing, Licensing, and Non-Licensing, as referred to in section (3), are carried out by the DPMPTSP.

Paragraph 2

Business Sector

Article 13

- (1) Business Sectors which are open to Investment activities consist of:
 - a. priority Business Sectors;
 - b. Business Sectors which are allocated or partnered with cooperatives and micro-enterprises;
 - c. Business Sectors with specific requirements;and
 - d. Business Sectors which are not included in point a, point b, and point c.
- (2) The Business Sectors as referred to in section (1) letter d can be pursued by all investors.

Article 14

- (1) Priority Business Sectors as referred to in Article 13 section (1) point a are Business Sectors that meet the following criteria:
 - a. national strategic programs/projects;
 - b. capital-intensive;
 - c. labor-intensive;
 - d. high technology;
 - e. pioneer industries;
 - f. export-oriented;and/or
 - g. orientation towards research, development, and innovation activities.
- (2) The list of priority Business Sectors as referred to in section (1) is implemented based on the provisions of legislation.

Article 15

- (1) Business Sectors which are allocated or partnered with Cooperatives and Micro Enterprises as referred to in Article 13 section (1) point b, consist of:
 - a. Business Sectors allocated for Cooperatives and Micro Enterprises;and
 - b. Business Sectors open to large enterprises which partner with Cooperatives and Micro Enterprises.
- (2) Business Sectors allocated for Cooperatives and Micro Enterprises as referred to in section (1) point a are determined based on the following criteria:
 - a. business activities that do not use technology or that use simple technology;
 - b. business activities that have specialized processes, are labor-intensive, and possess unique cultural heritage that is specific and passed down through generations; and/or.
 - c. business activity Capital does not exceed Rp1,000,000,000.00 (one billion rupiah), excluding the value of land and buildings.

- (3) Business Sectors open to large enterprises that partner with Cooperatives and Micro Enterprises as referred to in section (1) point b are determined based on the following criteria:
 - a. Business Sectors that are widely operated by Cooperatives and Micro Enterprises;and/or
 - b. Business Sectors encouraged to integrate into the supply chain of large enterprises.
- (4) The list of Business Sectors that are allocated or partnered with Cooperatives and Micro Enterprises as referred to in section (1) is implemented based on the provisions of legislation.

Article 16

- (1) Business sectors with specific requirements as referred to in Article 13 section (1) point c are Business Sectors that can be undertaken by all Investors, including Cooperatives and Micro Enterprises, that meet the following requirements:
 - a. Investment requirements for Domestic Investors;
 - b. Investment requirements with restrictions on Foreign Capital ownership;
 - c. Investment requirements with specific licensing;or
 - d. other Investment requirements, namely Business Sectors that are restricted, closely monitored, and regulated under specific legislation pertaining to the control and Supervision of alcoholic beverages.
- (2) The list of Business Sectors with specific requirements as referred to in section (1) is implemented based on the provisions of legislation.

Paragraph 3

Investor

Article 17

Investment in City Region is carried out by individuals or Business Entities, including:

- a. Domestic Investors;and
- b. Foreign Investors.

Paragraph 4
Form of Business Entity

Article 18

- (1) Domestic Investors, as referred to in Article 17 point a, are carried out by Business Entities that are incorporated, unincorporated, or by individual business.
- (2) Foreign Investors, as referred to in Article 17 point b, are obligated to take the form of a limited liability company under Indonesian law and be domiciled within the territory of the Republic of Indonesia in accordance with the provisions of legislation.

Part Two
Business Licensing Services

Article 19

- (1) The implementation of Business Licensing is carried out to enhance the investment ecosystem and business activities.
- (2) Investors conducting Investment in the region, as referred to in Article 17, are obligated to fulfill:
 - a. risk-based Business Licensing;
 - b. the basic requirements for Business Licensing;and
 - c. sectoral Business Licensing and ease of investment requirements.
- (3) Risk-Based Business Licensing, as referred to in section (2) point a, is carried out based on the determination of the risk level and the rating of the business activity scale.
- (4) The basic requirements for Business Licensing, as referred to in section (2) point b, include:
 - a. conformity of activities with spatial utilization;
 - b. environmental approval;and
 - c. building approval and certificate of feasibility.

- (5) Sectoral Business Licensing and ease of investment requirements, as referred to in section (2) point c, include the sectors of:
- a. marine and fisheries;
 - b. agriculture;
 - c. environment and forestry;
 - d. energy and mineral resources;
 - e. industry;
 - f. trade;
 - g. public works and housing;
 - h. transportation;
 - i. health, medicine, and food;
 - j. education and culture;
 - k. tourism;
 - l. postal services, telecommunications, broadcasting, and electronic systems and transactions;and
 - m. manpower.
- (6) To enhance the investment ecosystem and business activities in sectoral business licensing as referred to in section (5), Business Actors are provided with ease of investment requirements and Business Licensing in accordance with the provisions of legislation.
- (7) Risk-Based Business Licensing, basic requirements for Business Licensing, sectoral Business Licensing, and ease of investment requirements are carried out in accordance with the provisions of legislation regarding the implementation of Risk-Based Business Licensing and legislation in the areas of spatial planning, environment, and building construction.

Article 20

- (1) The implementation of Business Licensing in the Regions is carried out by DPMPTSP.
- (2) DPMPTSP integrates the PTSP between Regional Apparatuses and vertical institutions in the Region in accordance with their respective. authority.

Article 21

- (1) In providing Business Licensing services, DPMPTSP is obligated to implement the management of Business Licensing administration in the Region.
- (2) The management of Business Licensing administration as referred to in section (1) includes:
 - a. implementation of services;
 - b. management of public complaints;
 - c. management of information;
 - d. outreach to the community;
 - e. consultation services; and
 - f. legal assistance.

Article 22

- (1) The implementation of Business Licensing services as referred to in Article 21 section (2) point a, is carried out in accordance with the provisions of legislation.
- (2) The implementation of Business Licensing services as referred to in Article 21 section (2) point a, is required to use the OSS system.
- (3) The implementation of Business Licensing services as referred to in section (1) is complemented with special services for vulnerable groups, the elderly, and persons with disabilities.
- (4) The Municipal Government may develop supporting systems for the implementation of the OSS system in accordance with the applicable norms, standards, procedures, and criteria.

Article 23

- (1) The provision of the OSS system for Business Licensing is carried out independently by Business Actors using their own devices/facilities or those provided by DPMPTSP.
- (2) In the event that OSS system services cannot be implemented independently, this can be done through:
 - a. assisted services; and/or
 - b. mobile services.

- (3) The assisted services as referred to in section (2) point a are carried out interactively between DPMPTSP and Business Actors.
- (4) Mobile services as referred to in section (2) point b are carried out by bringing service accessibility closer to Business Actors using transportation means or other means.

Article 24

- (1) The implementation of Business Licensing services as referred to in Article 21 section (2) point a, is free of charge.
- (2) Specific Business Licensing is subject to local levies in accordance with the provisions of legislation.
- (3) The DPMPTSP is not burdened with revenue targets for regional levies as referred to in section (2).

Article 25

- (1) The management of public complaints as referred to in Article 21 section (2) point b is carried out promptly, accurately, transparently, fairly, without discrimination, and free of charge.
- (2) The management of public complaints as referred to in section (1) is carried out in the following stages:
 - a. receiving and providing a receipt ;
 - b. examining the completeness of documents;
 - c. classifying and prioritizing solutions;
 - d. reviewing and responding;
 - e. reporting the results; and
 - f. monitoring and evaluating.
- (3) The duration of the management of public complaints as referred to in section (1) is carried out in accordance with the provisions of legislation.
- (4) The implementation of the management of public complaints as referred to in section (1) is integrated with Regional Apparatuses through the OSS system.

Article 26

- (1) The DPMPTSP provides complaint means to manage public complaints related to Business Licensing services.
- (2) The complaint facilities as referred to in section (1) must be easily accessible and reachable by the public by promoting the use of information and communication technology.

Article 27

- (1) The management of information as referred to in Article 21 section (2) point c is carried out in transparent manner and is easily accessible to the public.
- (2) The implementation of information management as referred to in section (1) at least includes:
 - a. receiving requests for information services; and
 - b. providing and delivering information related to Business Licensing services.

Article 28

- (1) The provision and delivery of information as referred to in Article 27 section (2) point b is carried out through the information service subsystem within the OSS system.
- (2) In addition to the information services as referred to in section (1), the Municipal Government may provide and deliver other information, which includes:
 - a. the institutional profile of Regional Apparatuses
 - b. the service standards for Business Licensing; and
 - c. performance evaluation of DPMPTSP.
- (3) The information services as referred to in section (1) are provided through electronic and print media.
- (4) The provision and delivery of information to the public are free of charge.

Article 29

- (1) Outreach to the community as referred to in Article 21 section (2) point d includes:

- a. the rights and obligations of the Municipal Government and the community regarding Business Licensing services;
 - b. the benefits of Business Licensing for the community;
 - c. the requirements and mechanisms of Business Licensing services;
 - d. the time and place of the services; and
 - e. the level of risk of business activities.
- (2) The implementation of outreach to the community is carried out through:
- a. electronic media;
 - b. print media; and/or
 - c. meetings.
- (3) The implementation of outreach as referred to in section (1) and section (2) is carried out by DPMPTSP in coordination with technical Regional Apparatuses periodically.

Article 30

- (1) Consultation services as referred to in Article 21 section (2) point e at least include:
- a. technical consultation on types of Business Licensing services;
 - b. consultation on legal aspects of Business Licensing; and
 - c. technical guidance.
- (2) Consultation services as referred to in section (1) are carried out in the designated consultation room and/or online.
- (3) Consultation services as referred to in section (1) are carried out by DPMPTSP in coordination with technical Regional Apparatuses interactively.

Article 31

- (1) Legal assistance as referred to in Article 21 section (2) point f is provided in the event of legal issues arising

during the process and implementation of Licensing involving DPMPTSP.

- (2) Legal assistance as referred to in section (1) is provided by the Regional Apparatus responsible for legal affairs.

Article 32

- (1) Business Licensing and the implementation of activities as a part of Investment implementation are carried out based on norms, standards, procedures, and criteria for each Business Sector in accordance with the provisions of legislation.
- (2) Business Licensing and the implementation of activities as a part of Investment implementation for the financial and banking Business Sectors are carried out in accordance with the provisions of legislation.

Part Three

Licensing and Non-Licensing

Article 33

- (1) Every business activity in the City Region that is not covered by the provisions of Business Licensing is required to obtain Licensing and Non-Licensing in accordance with the applicable legislation.
- (2) Licensing and Non-Licensing as referred to in section (1) are issued by DPMPTSP in accordance with the authority of the Municipal Government.
- (3) The time frame for the completion of Licensing and Non-Licensing is calculated from when the application is declared complete.
- (4) The processing time for Licensing and Non-Licensing is during effective working days and hours.

Article 34

- (1) The provision of Licensing and Non-Licensing services is carried out electronically, through application systems available at DPMPTSP.

- (2) The registration of Licensing and Non-Licensing services as referred to in section (1) is carried out independently by the Applicant.
- (3) In the event that Licensing and Non-Licensing services cannot be carried out independently, they can be conducted through:
 - a. assisted services; and/or
 - b. mobile services.
- (4) The assisted services as referred to in section (3) point a are carried out interactively between DPMPTSP and business actors.
- (5) Mobile services as referred to in section (3) point b are carried out by improving the accessibility of services to business actors using transportation means or other means.
- (6) Further explanation regarding the issuance of Licensing and Non-Licensing is regulated in a Mayor Regulation.

CHAPTER VII

PROTECTION AND EMPOWERMENT OF BUSINESSES

Article 35

- (1) The Municipal Government, in accordance with its authority, provides ease, empowerment, and protection for Cooperatives and Micro Enterprises in the implementation of Investment based on the norms, standards, procedures, and criteria established by the central government.
- (2) Protection and empowerment as referred to in section (1) include guidance and development of Cooperatives and Micro Enterprises through:
 - a. partnership programs;
 - b. human resource training;
 - c. improving competitiveness;
 - d. encouraging innovation and market expansion;
 - e. access to financing; and
 - f. dissemination of information as broadly as possible.

- (3) Protection and empowerment as referred to in section (2) are carried out by the Municipal Government in accordance with its authority based on the norms, standards, procedures, and criteria established by the central government.

CHAPTER VIII RIGHTS AND OBLIGATIONS IN INVESTMENT

Article 36

Every Investor is entitled to receive:

- a. certainty of rights, law, and protection;
- b. transparent information about the business sector being operated;
- c. the right to services; and
- d. various forms of facilitation in accordance with the provisions of legislation.

Article 37

- (1) Every Investor is obligated to:
 - a. implement the principles of good corporate governance;
 - b. fulfill social and environmental responsibilities in accordance with the provisions of legislation;
 - c. prepare LKPM and submit it to DPMPTSP;
 - d. respect the cultural traditions of the community around the location of the investment business activities; and
 - e. enhance the competence of Indonesian workers through job training in accordance with the provisions of legislation.
- (2) Conduct training and transfer technology to Indonesian workers in accordance with the provisions of legislation for companies employing foreign workers.
- (3) Violations of the provisions as referred to in section (1) are subject to administrative sanctions in the form of:

- a. written warning;
 - b. restriction of business activities;
 - c. suspension of business activities and/or Investment facilities;or
 - d. revocation of business licenses and/or Investment facilities.
- (4) Further provisions regarding the procedures for imposing administrative sanctions as referred to in section (2) are regulated by a Mayor Regulation.

CHAPTER IX INCENTIVES AND EASE OF INVESTMENT

Article 38

- (1) The Municipal Government provides Incentives and/or Ease of Investment in accordance with its authority to Investors.
- (2) The provision of Incentives and/or Ease of Investment is guided by the RUPM and the results of studies that consider regional potential and added value in the City Region.
- (3) Provisions regarding the implementation of the Provision of Incentives and/or Ease of Investment as referred to in section (1) and section (2) are regulated by a Mayor Regulation.

CHAPTER X INVESTMENT SUPERVISION

Article 39

- (1) Supervision of the implementation of Business Licensing and Investment is carried out in an integrated and coordinated manner through the supervision subsystem within the OSS system.
- (2) The implementation of supervision for the administration of Investment as referred to in section (1) is coordinated by DPMPTSP.

- (3) Supervision of Licensing and Non-Licensing is carried out by the relevant technical OPD and coordinated by DPMPTSP.

Article 40

- (1) Investment supervision is conducted on the progress of Investment realization as well as the provision of facilities, incentives, and ease of Investment, and/or partnership obligations.
- (2) Investment supervision is conducted for each business activity with the regulation of implementation frequency based on the level of risk and the level of compliance of Business Actors.
- (3) Supervision is conducted from the time Business Actors obtain Business Licensing with the aim of ensuring that business activities are carried out in accordance with the provisions of legislation.
- (4) Investment supervision can be conducted through:
 - a. routine supervision; and
 - b. incidental supervision.

Article 41

- (1) Routine supervision as referred to in Article 40 section (4) point a, is conducted through:
 - a. Business Actor's report; and
 - b. field inspections.
- (2) Routine supervision through Business Actor's report as referred to in section (1) point a, is carried out based on reports submitted by Business Actors to DPMPTSP, which include the progress of business activities.
- (3) The report on the progress of Investment activities as referred to in section (2) includes:
 - a. the realization of Investment and labor during the construction and commercial phases every 3 (three) months; and
 - b. the realization of production, social and environmental responsibilities, the implementation of

business partnerships during the commercial phase, as well as conducting training and transferring technology to Indonesian workers as counterparts, during the commercial phase 1 (one) time in 1 (one) year.

- (4) The Business Actor's Report as referred to in section (3), implementation of supervision on:
 - a. LKPM, which includes the realization of Investment, the realization of labor utilization, the realization of production including export value, partnership obligations, and other obligations related to the implementation of investment, is submitted by individual Business Actors and business entities;
 - b. activity reports of Business Actors from representative offices;or
 - c. reports on import realization submitted by Business Actors.
- (5) Field inspections as referred to in section (1) point b are carried out to verify the conformity of the data and information provided in the periodic reports with the actual physical implementation of business activities through:
 - a. guidance in the form of assistance and outreach, including facilitation of problem resolution faced by Business Actors, provision of explanations, consultations, and/or technical guidance regarding the provisions for the implementation of Risk-Based Business Licensing; and/or
 - b. administrative and/or physical inspections, including activities such as checking business locations, the realization of Investment values, workforce, machinery/equipment, buildings/premises, obligations related to facilities, incentives, and conveniences for Investments, partnership obligations, and/or other obligations related to the implementation of Investments.

- (6) Supervision of Risk-Based Business Licensing for micro Business Actors is carried out through guidance, assistance, or outreach related to business activities conducted by the relevant technical OPD and coordinated by the DPMPTSP.

Article 42

- (1) Incidental supervision as referred to in Article 40 section (4) point b, can be carried out in the event of:
 - a. the existence of public complaints;
 - b. the existence of complaints and/or needs from Business Actors;
 - c. an indication that a Business Actor is engaging in activities that do not comply with the provisions of legislation; and/or
 - d. an urgent necessity in the form of environmental pollution and/or other matters that could endanger public safety and/or disrupt the national economy as well as the economy of the City Region.
- (2) Incidental supervision as referred to in section (1) is carried out at any time and may be conducted without prior notification to the Business Actor.
- (3) Incidental supervision as referred to in section (2) is conducted through field inspections to verify the conformity of data and information with the implementation of business activities, by means of:
 - a. guidance in the form of assistance and outreach, including activities facilitating the resolution of issues faced by Business Actors, providing explanations and/or consultations; and/or
 - b. administrative and physical inspections, including activities such as checking the business location, the realization of investment values, workforce, machinery/equipment, buildings/premises, obligations related to facilities, incentives and conveniences for Investment, partnership obligations, and/or other obligations related to the implementation of Investment.

CHAPTER XI REPORTING

Article 43

- (1) The Mayor submits a report on the implementation of Business Licensing in the City Region to the Governor of West Java Province.
- (2) The report as referred to in section (1), at a minimum, includes:
 - a. the number of licenses issued;
 - b. planned and realized investments; and
 - c. problems and solutions.
- (3) The report as referred to in section (2) is submitted periodically every 3 (three) months.
- (4) The report as referred to in section (3) is used as a basis for evaluation and guidance to improve the performance of DPMPTSP.

CHAPTER XII TRANSITIONAL PROVISION

Article 44

Licensing and Non-Licensing for Investment that were issued prior to the enforcement of this Regional Regulation as long as they do not conflict with the legislation remains in effect until their expiration date.

CHAPTER XIII CLOSING PROVISIONS

Article 45

At the time this Regional Regulation comes into effect, Regulation of the Municipality of Cirebon Number 2 of 2018 on Investment (Regional Gazette of the Municipality of Cirebon Number 2 of 2018) is repealed and declared ineffective.

Article 46

The implementing regulations of this Regional Regulation must be issued not later than 6 (six) months from the promulgation of this Regional Regulation.

Article 47

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

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

Issued in Cirebon
on 23 January 2024

ACTING MAYOR OF CIREBON,

signed

AGUS MULYADI

Promulgated in Cirebon
on 24 January 2024

ACTING REGIONAL SECRETARY
OF THE MUNICIPALITY OF CIREBON,

signed

MOHAMMAD ARIF KURNAWAN

REGIONAL GAZETTE OF THE MUNICIPALITY OF CIREBON OF 2024 NUMBER
3

Jakarta, 23 June 2025

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

DIRECTOR GENERAL OF LEGISLATION,



DHAHAN PUTRA

ELUCIDATION
ON
REGULATION OF THE MUNICIPALITY OF CIREBON
NUMBER 3 OF 2024
ON
INVESTMENT

I. GENERAL

One of the Concurrent Government Affairs under the authority of the Local Governments is the administration of Mandatory Government Affairs not related to Basic Services, namely investment, as regulated in Article 12 section (2) item I 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 into Law. Investment serves as one of the instruments to obtain capital or sources of income and financing for the implementation of regional development.

Investment plays an important role in enhancing regional economic growth, including increasing community income, absorbing local labor, empowering local resources, improving public services, boosting the gross regional domestic product (GRDP), and developing micro-enterprises, as a part of sustainable development implementation and addressing the globalization era.

The significance of investment in development must be supported by legislation products from upstream to downstream that accommodate investment activities. Additionally, efficient bureaucracy, particularly in the licensing process, as well as competitive economic costs, are required to ensure that investment activities can proceed smoothly, yet remain within certain boundaries.

As one of the destinations for investment, the Municipal Government of Cirebon needs to establish policies to create a business-friendly climate for investors and strengthen the competitiveness of the national economy.

This regional regulation represents the responsibility of the local government in managing investment, enhancing regional economic growth, creating job opportunities, promoting sustainable economic development, improving the competitiveness of regional businesses, increasing technological capacity and capability, and encouraging the development of a people's economy.

The scope of this regional regulation includes the authority of the municipal government, investment policies, planning and development of the investment climate, investment promotion, business services and licensing, protection and empowerment of businesses, rights, obligations, and responsibilities, incentives and ease of investment, community participation, investment supervision, reporting, and manpower.

II. Article by Article

Article 1

Sufficiently clear.

Article 2

Point a

The term "principle of legal certainty" means a principle in a state governed by law that places law and legislation as the foundation for every policy and action in the field of investment.

Point b

The term "principle of transparency" means a principle that upholds the right of the public to obtain accurate, honest, and non-discriminatory information regarding investment activities.

Point c

The term "principle of accountability" means a principle that requires every activity and final outcome of investment administration to be accountable to the community or people as the holders of the highest sovereignty of the state, in accordance with the provisions of legislation.

Point d

The term "principle of equal treatment and non-discrimination based on country of origin" means the principle of non-discriminatory service treatment in accordance with the provisions of legislation, both between domestic and foreign investors as well as among investors from one foreign country and investors from another foreign country.

Point e

The term "principle of inclusiveness" means the principle that encourages the collective participation of all investors in their business activities to achieve the welfare of the people.

Point f

The term "principle of equitable efficiency" means the principle that underpins the implementation of investment by prioritizing equitable efficiency in efforts to create a fair, conducive, and competitive business climate.

Point g

The term "principle of sustainability" means a principle that systematically seeks to ensure the continuity of development processes through investment to guarantee welfare and progress in all aspects of life, both for the present and the future.

Point h

The term "principle of environmental awareness" means the principle of investment conducted with due attention to and prioritization of environmental protection and preservation.

Point i

The term "principle of independence" means the principle of investment carried out by prioritizing the nation's and state's potential while remaining open to foreign capital to achieve economic growth.

Point j

The term "principle of balance in progress and national economic unity" means a principle aimed at maintaining the balance of regional economic progress within the framework of national economic unity.

Article 3

Sufficiently clear.

Article 4

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Section (1)

Point a

Sufficiently clear.

Point b

Accelerating the enhancement of Investment and ease of investment is carried out by:

- a. collecting data and information on the potential and opportunities for regional investment, including data and information regarding land availability, means and infrastructure to support the investment;
 - b. verifying the results of data collection on the potential and opportunities for Regional investment;
 - c. analyzing the results of verification of investment potential previously obtained, supported by study findings derived from field visits; and
 - d. preparing a map of Regional investment opportunities.
- The term electronic documentation means the documentation of the mapping results of Regional investment potential and opportunities into a website or an information system on Regional investment potential and opportunities.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

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

Section (1)

Point a

The term national strategic programs/projects means projects and/or programs implemented by the Central Government, Local Governments, and/or Business Entities that have a strategic nature aimed at fostering growth and equitable development, as a part of efforts to create employment opportunities and improve community welfare.

Point b

The term capital-intensive means industries that require large investments and utilize advanced technology. Capital-

intensive industries rely more on sophisticated tools and equipment, with less dependence on human labor.

Point c

The term labor-intensive means industries that utilize more human labor than machinery. Labor-intensive industries, as intended here, are those employing at least 300 (three hundred) Indonesian workers.

Point d

Sufficiently clear.

Point e

The term pioneer industries means industries that have extensive linkages, provide high added value and externalities, introduce new technologies, and hold strategic importance for the national economy.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Section (2)

Sufficiently clear.

Article 15

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

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

The term vulnerable groups means community groups, other than the elderly and persons with disabilities, such as those who lack understanding of information technology.

Section (4)

Sufficiently clear.

Article 23

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Assisted services are provided when the OSS System experiences technical disruptions. DPMPTSP coordinates with the OSS Institution to ensure services remain operational. Assisted services must be available no later than 1 (one) day after the technical disruption is declared.

Section (4)

Sufficiently clear.

Article 24

Section (1)

Sufficiently clear.

Section (2)

Types of specific Business Licensing levies include:

- a. building permit approval levy.
- b. employment of foreign workers.
- c. management of community mining.
- d. levy for licensing the sale of alcoholic beverages.
- e. route permit levy; and
- f. levy for fishery business licenses.

The term "the provisions of legislation" means legislation concerning local taxes and local levies aimed at supporting ease of doing business and regional services.

Section (3)

Sufficiently clear.

Article 25

Sufficiently clear.

Article 26

Sufficiently clear.

Article 27

Sufficiently clear.

Article 28

Sufficiently clear.

Article 29

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Point a

Assisted services are provided when the system services through applications available at DPMPTSP experience technical disruptions. Assisted services must be available no later than 1 (one) day after the technical disruption is declared.

Point b

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Article 35

Sufficiently clear.

Article 36

Point a

The term "certainty of rights" means the Government's guarantee for investors to obtain their rights as long as the investors have fulfilled the prescribed obligations.

The term "certainty of law" means the Government's guarantee to uphold legislation as the primary foundation in every action and policy for investors.

The term "certainty of protection" means the Government's guarantee for investors to receive protection in carrying out

investment activities.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Article 37

Sufficiently clear.

Article 38

Sufficiently clear.

Article 39

Sufficiently clear.

Article 40

Sufficiently clear.

Article 41

Sufficiently clear.

Article 42

Sufficiently clear.

Article 43

Sufficiently clear.

Article 44

Sufficiently clear.

Article 45

Sufficiently clear.

Article 46

Sufficiently clear.

Article 47

Sufficiently clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF THE MUNICIPALITY OF
CIREBON NUMBER 140