

TABLE OF CONTENT

INTRODUCTION	1
1. SETTING-UP BUSINESS IN INDONESIA	5
1.1 Balancing Business Potential and Regulations	5
1.2 Investment Coordinating Board of Indonesia (BKPM)	6
1.3 Establishing a Business	7
1.3.1 Setting up a Representative Office.....	7
1.3.2 Setting up a PT PMA	9
1.3.3 Setting up an Import/Export Company.....	12
1.3.4 Establishing a Factory	14
1.3.5 PT PMA & Representative Office	14
1.4 Market Entry Strategies and Partnerships	15
1.5 Investment Laws and Restricted Industries	19
1.6 Taxation	19
1.7 Human Resources and Employment	20
1.8 Protect Your IPR	21
1.9 The Negative Investment List.....	22
2. LEGAL FRAMEWORK AT A GLANCE	27
2.1 Introduction	27
2.2 Audit and Accounting	28
2.3 Land Rights	28
2.4 Trademark Law	30
2.5 Currency Regulations	31
2.6 Dispute Settlement	31
3. TAXATION SYSTEM	35
3.1 Introduction	35
3.2 Tax Treaties and Double Taxation Agreements	36
3.3 Corporate Income Tax.....	37
3.4 Tax Incentives	38
3.5 Value Added Tax	39
3.6 Reporting Taxes and Fines	42
3.7 Summary of Indonesian Taxation	43
4. LABOUR & HUMAN RESOURCES	49
4.1 Introduction	49
4.2 Terms of Employment – Legal Requirements and Duration.....	50
4.4 Regulations Regarding Employing Foreign Nationals	57

5. INTELLECTUAL PROPERTY RIGHTS IN INDONESIA	61
5.1 Introduction	61
5.2 How to Protect your Intellectual & Industrial Products.....	62
5.3 IPR Statistics in Indonesia.....	64
6. CONCLUSION	69
CONTACTS	71
REFERENCES	74
ABBREVIATIONS	77