

BKPM Presses Ahead with Licensing System Automation

As part of the ongoing rollout of a computerized permit application system at the Investment Coordinating Board (“BKPM”), the BKPM now requires every client company to create their own company folders at the BKPM website to accommodate their corporate, licensing and other relevant documents. The project is intended to facilitate paperless transactions between the BPKM and its clients, and accelerate the overall investment licensing process.

The BPKM inaugurated its online filing system back in May. Known as the National Single Window for Investment (“Online NSWi) in English, and *Sistem Pelayanan Informasi dan Perizinan Investasi Secara Elektronik* (“SPIPISE”) in Indonesian, it continues to be a work in progress but is being gradually expanded to provide more services. The website can be accessed at <http://online-spipise.bkpm.go.id/>.

The company folder requirement, which was introduced on 1 September 2014, applies to both domestic and foreign direct investment companies that are registered with the BKPM. Commencing 1 October 2014, the BKPM will no longer accept manual applications, filings or submissions if the client has not created a company folder and uploaded its corporate and licensing documents (for the documents that must be uploaded, see box below).

A BPKM client that currently submits master lists online may use its existing user name and password to access the SPIPISE/Online NSWi website, while those that do not submit master lists online will need to apply to for a user name and password to the BKPM’s Information and Data Center (*Pusat Data dan Informasi / PUSDATIN*). A company folder is automatically created for new companies that are established using the online process.

Thus far, the system is only able to handle online applications for interim permits (*izin prinsip*) for new start-up companies established under the investment legislation. However, eventually it is expected that the online service will be expanded to handle applications for definitive operating permits (*izin usaha tetap*), as well as permits for proposed expansions of operations.

However, the BKPM does not anticipate that the licensing process will be able to be fully automated any time soon. Rather, applications will continue to be reviewed by officials, while any queries from the review officials will be communicated online to clients. Some fear that this manual review process could create a backlog as the number of review officials is currently insufficient to handle the increasing number of licensing applications.

By way of comparison, the company formation process at the Ministry of Law and Human Rights (MoLHR) is fully automated, with the applicant’s notary being responsible for verifying the legitimacy of the application and authenticity of documents.

Documents To Be Uploaded To Company Folder

1. Company deeds and their amendments and approvals
2. Company taxpayer number ‘
3. Letter of Domicile
4. Registration Certificate (TDP)
5. Past investment licenses and their amendments
6. Project location legality documents, e.g., land title certificate
7. Permits from local government

8. Location permit
9. Environmental licenses
10. Environmental management documents and recommendations from the environment agency
11. Import documents
12. Latest LKPM and its receipt of submission
13. Licenses from relevant ministries

Please contact us if you would like further information.

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