
Indonesia Looks Ahead to Abolish the Negative Investment List

Investors may soon be able to bid adieu to the Negative Investment List. As part of the implementation of President Joko Widodo's statement on the need to attract more investment into the country and his promise to make Indonesia more investment-friendly, the government will finally take a step to realise this promise by abandoning the Negative Investment List by January 2020.

This plan was reinstated by the Coordinating Minister of Economy, Airlangga Hartarto, in the 7th US-Indonesia Investment Summit. As quoted by Tempo¹, the Minister stated that Indonesia "... will no longer use the DNI (Negative Investment List) but would use a white list (positive)." This list would contain information on business sectors that can be entered into by investors, both foreign and domestic.

The Minister stated that six industries will remain restricted, which include weed, casino or gambling and chemical weapon industries. The Minister added that "anything besides those industries, will be positive." This is a significant shift from the 20 restricted business sectors under the current Negative Investment List.

This is welcome news not only for Indonesia, but also for foreign investors eager to invest in Indonesia. In the past, the Negative Investment List often hinders investment, as well as causing regulatory uncertainty (i.e. when the industry-specific regulation specifies a much stricter foreign investment threshold).

We will keep you updated on the latest development in this topic.

**This alert is published based on an article by Tempo (<https://bisnis.tempo.co/read/1274810/daftar-negatif-investasi-resmi-dihapus-per-januari-2020>) (accessed on 27 November 2019).*

¹ <https://bisnis.tempo.co/read/1274810/daftar-negatif-investasi-resmi-dihapus-per-januari-2020>

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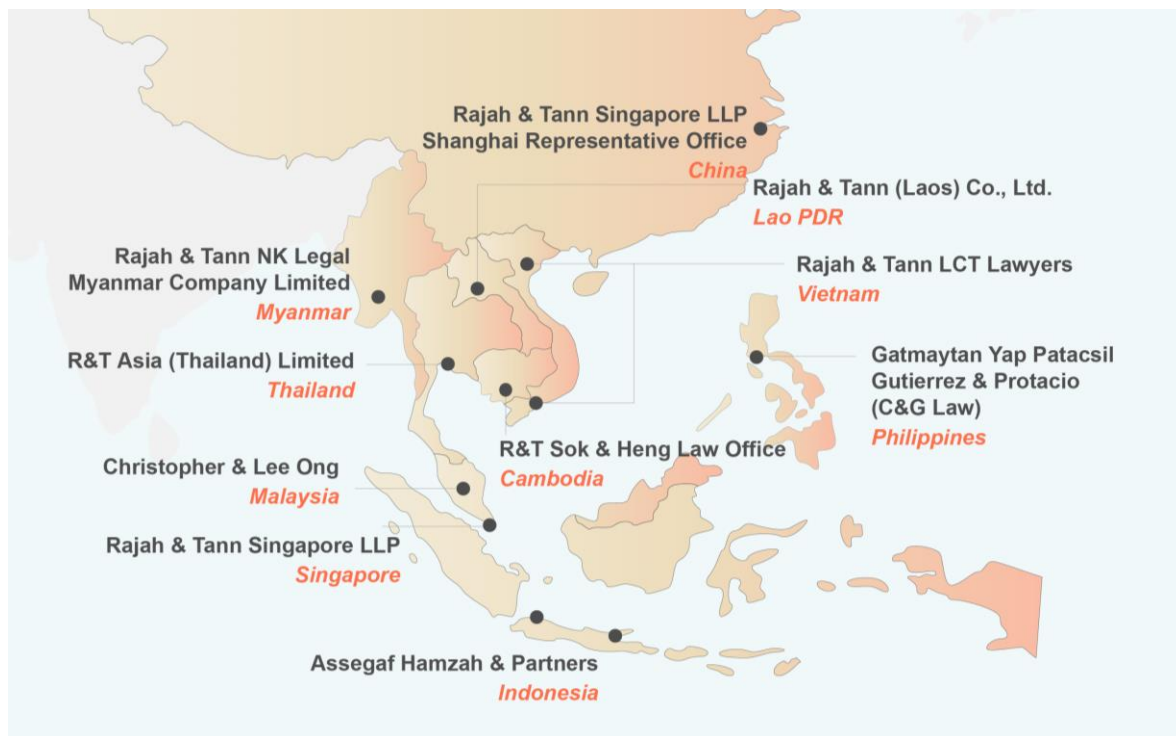
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