

REGULATION OF THE MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA
NUMBER 15 OF 2019
ON
IMPLEMENTING PROCEDURES FOR THE APPLICATION OF KNOW-YOUR-BENEFICIAL-OWNER
PRINCIPLES BY CORPORATIONS
BY THE GRACE OF GOD ALMIGHTY

MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that for the effectiveness of the implementation of know-your-Beneficial-Owner principle by Corporations, in order to obtain accurate, up to date, and publicly accessible information on Beneficial Owner, it has been deemed necessary to regulate the implementing procedure and mechanism of the know-your-Beneficial-Owner principle by Corporations;
- b. that based on the consideration as referred to in letter a, it has been deemed necessary to establish the Regulation of the Minister of Law and Human Rights on Implementing Procedures for the Application of Know-Your-Beneficial-Owner Principles by Corporations.

Observing:

1. Law Number 39 of 2008 on State Ministries (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916);
2. Law Number 8 of 2010 on Prevention and Eradication of the Criminal Acts of Money Laundering (State Gazette of the Republic of Indonesia of 2010 Number 122, Supplement to the State Gazette of the Republic of Indonesia Number 5164);
3. Law Number 9 of 2013 on Prevention and Eradication of Criminal Acts of Terrorism Financing (State Gazette of the Republic of Indonesia of 2013 Number 50, Supplement to the State Gazette of the Republic of Indonesia Number 5406);
4. Regulation of the President Number 44 of 2015 on the Ministry of Law and Human Rights (State Gazette of the Republic of Indonesia of 2015 Number 84);
5. Regulation of the President Number 13 of 2018 the Implementation of the Know-Your-Beneficial-Owner Principle by Corporations for the Prevention and Eradication of the Criminal Acts of Money Laundering and Terrorism Financing (State Gazette of the Republic of Indonesia Tahun 2018 Number 23);
6. Regulation of the Minister of Law and Human Rights Number 29 of 2015 on the Organization and Work Procedure of the Ministry of Law and Human Rights of the Republic of Indonesia (Official Gazette of the Republic of Indonesia of 2015 Number 1473) as amended several times, most recently by the Regulation of the Minister of Law and Human Rights Number 24 of 2018 on the Third Amendment to the Regulation of the Minister of Law and Human Rights Number 29 of 2015 on the Organization and Work Procedure of the Ministry of Law and Human Rights of the Republic of Indonesia (Official Gazette of the Republic of Indonesia of 2018 Number 1135).

HAS DECIDED:

To establish:

REGULATION OF THE MINISTER OF LAW AND HUMAN RIGHTS ON IMPLEMENTING PROCEDURES FOR THE APPLICATION OF KNOW-YOUR-BENEFICIAL-OWNER PRINCIPLES BY CORPORATIONS.

CHAPTER I GENERAL PROVISIONS

Article 1

Under this Regulation of the Minister, the following definitions are employed:

1. Corporations are an organized group of individuals and/or assets, both of which are legal entities and non-legal entities.
2. Beneficial Owners are individuals who are able to appoint or dismiss the board of directors, board of commissioners, executives, advisers, or supervisors in Corporations, who have control over Corporations, have the right over and/or receive the benefits of Corporations both directly and indirectly, are the actual owner of the funds or shares of Corporations and/or fulfilled the criteria as referred to in the laws and regulations.
3. Online General Law Administration from this point onwards is referred to as Online AHU (Administrasi Hukum Umum) is an electronic public services system organized by the Directorate-General of General Law Administration.
4. Minister is the minister who organizes government affairs in the legal sector.
5. Director-General is the Director-General of General Law Administration.

CHAPTER II DETERMINATION OF THE BENEFICIAL OWNERS OF CORPORATIONS

Article 2

- (1) Every Corporation must determine the Beneficial Owners of the Corporations.
- (2) Corporations as referred to in paragraph (1) include:
 - a. limited liability companies;
 - b. foundations;
 - c. associations;
 - d. cooperatives;
 - e. limited liability partnerships; and
 - f. firma partnerships.
- (3) Determination of Beneficial Owners of the Corporations as referred to in paragraph (1) shall be conducted by the Corporations through the implementation of know-your-Beneficial-Owners principle by Corporations.
- (4) Know-your-Beneficial-Owners principle by Corporations as referred to in paragraph (3) shall include an identification and verification of the Beneficial Owners of Corporations.
- (5) Identification and verification of the Beneficial Owners of Corporations as referred to in paragraph (4) are as written in Appendix I which remains an integral part of this Regulation of the Minister.

Article 3

- (1) Beneficial Owners of Corporations which have been determined as referred to in Article 2 paragraph (1) shall be individuals who fulfill the criteria in accordance with the provisions of the laws and regulations.
- (2) Beneficial Owners of Corporations shall at least consist of 1 (one) personnel with each criterion in accordance with the form of Corporations as referred to in Article 2 paragraph (2).
- (3) Details on the criteria of the Beneficial Owners of Corporations as referred to in paragraph (2) are as written in Appendix II which remains an integral part of this Regulation of the Minister.

CHAPTER III

SUBMISSION OF THE INFORMATION REGARDING THE BENEFICIAL OWNERS OF CORPORATIONS

Division One

General

Article 4

- (1) Corporations must submit correct information regarding the Beneficial Owners of Corporations to the Minister.
- (2) Information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be submitted at:
 - a. the application for Corporations' establishment, registration and/or validation; or
 - b. the time the Corporations operate their business or activities.

Article 5

- (1) Submission of the information regarding the Beneficial Owners of Corporations at the application for Corporations' establishment, registration and/or ratification as referred to in Article 4 paragraph (2) letter a shall be conducted through:
 - a. submission of the Beneficial Owners of Corporations' information in the event that the Corporations have already determined the Beneficial Owners of Corporations; or
 - b. submission of the statement of willingness by Corporations to submit Beneficial Owners of Corporations' information to the Minister in the event that the Corporations have not determined the Beneficial Owners of the Corporations.
- (2) Corporations which have not submitted the information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) letter b are obliged to determine and submit the information regarding the Beneficial Owners of Corporations in no later than 7 (seven) business days after the Corporations have obtained business licenses or registration certificate from the authorized institutions/agencies.

Article 6

Submission of the information regarding the Beneficial Owners of Corporations at the time the Corporations operate their business or activities as referred to in Article 4 paragraph (2) letter b shall be conducted by submitting every change and/or update to the information regarding the Beneficial Owners of Corporations to

the Minister.

Division Two

Submission of Information Regarding the Beneficial Owners of Corporations During the Application for Corporations Establishment, Registration, and/or Validation

Article 7

- (1) Submission of information regarding the Beneficial Owners of Corporations at the Application for Corporations' establishment, registration, and/or validation as referred to in Article 4 paragraph (2) letter a shall be conducted by a Notary.
- (2) Submission of information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted electronically via Online AHU.
- (3) Submission of information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be as written in Appendix III which remains an integral part of this Regulation of the Minister.

Division Three

Submission of Information Regarding the Beneficial Owners of Corporations at the Time When the Corporations Operate their Business or Activities

Article 8

- (1) Submission of information regarding the Beneficial Owners of Corporations at the time the Corporations operate their business or activities shall be conducted by:
 - a. notary;
 - b. founder or executives of the Corporations; or
 - c. other parties who are granted authority by the founder or executives of the Corporations.
- (2) Submission of information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted electronically via Online AHU.
- (3) Submission of information regarding the Beneficial Owners of Corporations at the time the Corporations operate their business or activities as referred to in paragraph (1) shall be as written in Appendix IV which remains an integral part of this Regulation of the Minister.

Division Four

Submission of the Modification to the Information Regarding the Beneficial Owners of Corporations

Article 9

- (1) Submission of the modifications to the information regarding the Beneficial Owners of Corporations shall be conducted by:
 - a. notary;
 - b. founder or executives of the Corporations; or
 - c. other parties who are granted authority by the founder or executives of the Corporations.
- (2) The modifications to the information regarding the Beneficial Owners of Corporations as referred to in

paragraph (1) shall be submitted at:

- a. the addition of information regarding the Beneficial Owners of Corporations; and/or
 - b. the revocation of information regarding the Beneficial Owners of Corporations.
- (3) Submission of the modifications to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted in no later than 3 (three) business days from the change to the information regarding the Beneficial Owners of Corporations.
 - (4) Submission of the modifications to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted electronically via Online AHU.
 - (5) Submission of the modifications to the information regarding the Beneficial Owners as referred to in paragraph (1) shall be as written in Appendix V which remains an integral part of this Regulation of the Minister.

Division Five

Submission of the Update to the Information Regarding the Beneficial Owners of Corporations

Article 10

- (1) Submission of the updates to the information regarding the Beneficial Owners of Corporations shall be conducted by:
 - a. notary;
 - b. founder or executives of the Corporations; or
 - c. other parties who are granted authority by the founder or executives of the Corporations.
- (2) Updates to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted through reviewing the information from the Beneficial Owners of Corporations which have been submitted before by the Corporations.
- (3) In the event of an update to information from Corporations' Beneficial Owners as referred to in paragraph (1), the Corporations must submit the latest information regarding the Beneficial Owners of Corporations to the Minister.
- (4) Submission of the updates to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (3) shall be conducted annually.
- (5) Submission of the updates to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (3), shall be conducted 1 (one) year from the submission of the information regarding the Beneficial Owners of Corporations or the latest submission of the updates to the information regarding the Beneficial Owners of Corporations.
- (6) Submission of the updates to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (3) shall be conducted electronically via Online AHU.
- (7) Submission of the updates to the information regarding the Beneficial Owners of Corporations as referred to in paragraph (3) shall be as written in Appendix VI which remains an integral part of this Regulation of the Minister.

CHAPTER IV

THE EXCHANGE OF INFORMATION REGARDING THE BENEFICIAL OWNERS OF CORPORATIONS

Division One

The Exchange of Information Regarding the Beneficial Owners of Corporations

Article 11

- (1) Minister may organize cooperation in the form of exchange of information regarding the Beneficial Owners of Corporations with the requesting institutions.
- (2) Exchange of information as referred to in paragraph (1) may be carried out in the form of requests, offering, and/or receipt of information, both at the initiative of the Minister or at the request from the requesting institutions.
- (3) Requesting institutions as referred to in paragraph (2) shall consist of:
 - a. law enforcement;
 - b. government institutions; and
 - c. other state or jurisdiction's competent authorities.
- (4) In the event that the requesting institutions are other state or jurisdiction's authorized authorities as referred to in paragraph (3) letter c, the Minister is allowed to coordinate with the ministry which organizes the governmental affairs in international affairs and international treaties.

Article 12

Other than with the requesting institutions as referred to in Article 11 paragraph (3), exchange of information may also be carried out by reporting parties who based on the provisions of the laws and regulations must submit the report to the Financial Transaction Reports and Analysis Centre.

Article 13

- (1) Exchange of information regarding the Beneficial Owners of Corporations shall be conducted electronically.
- (2) Exchange of information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) shall be conducted through the granting of access rights to the requesting institutions and reporting parties.
- (3) Granting of access right as referred to in paragraph (2) shall be carried out based on the cooperation between the Minister, requesting institutions and reporting parties.

Division Two

Requesting of Information Regarding the Beneficial Owners of Corporations

Article 14

- (1) Every person shall be able to request information regarding the Beneficial Owners of Corporations to the Minister.
- (2) Requesting information regarding the Beneficial Owners of Corporations as referred to in paragraph (1) must be stipulated by the Minister in accordance with the provisions of the laws and regulations.

CHAPTER V SUPERVISION

Article 15

- (1) Supervision over the implementation of know-your-Beneficial-Owner principle by Corporations shall be performed by the Minister through the Director-General.
- (2) Supervision as referred to in paragraph (1) shall be performed based on the result of the assessment to criminal acts of money laundering and criminal acts of terrorism financing risks.
- (3) Supervision as referred to in paragraph (1) may be performed in the form of:
 - a. stipulation of regulation or guidelines in accordance with their authorities;
 - b. audit of Corporations; and/or
 - c. performance of other administrative activities within their scope of duties and responsibilities.
- (4) During the supervision, the Director-General shall cooperate with the Financial Transaction Reports and Analysis Centre.
- (5) The supervision as referred to in paragraph (1) shall be determined by the Minister.

Article 16

- (1) In the event that a violation in the implementation of know-your-Beneficial-Owner principle by Corporations as referred to in this Regulation of the Minister is found, the Minister through the Director-General may impose a sanction in accordance with the provisions of the laws and regulations.
- (2) If necessary for the supervision, the Minister through the Director-General may coordinate with the relevant agencies in accordance with their authorities.

**CHAPTER VI
CLOSING PROVISIONS****Article 17**

This Regulation of the Minister comes into force from the date of its promulgation.

For public cognizance, it is hereby ordered that this Regulation of the Minister be promulgated in the Official Gazette of the Republic of Indonesia.

Established in Jakarta,

On 21 June 2019

MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA,

Signed

YASONNA H. LAOLY

Promulgated in Jakarta,

On 27 June 2019

DIRECTOR-GENERAL OF LAWS AND REGULATIONS OF THE MINISTRY OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

Signed

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA OF 2019 NUMBER 710

DISCLAIMER

"This translation was produced by Hukumonline for the purpose of understanding Indonesian law only and does not constitute an official translation published by the Indonesian Government. Hukumonline has made every effort to ensure the accuracy and completeness of the information that is contained within this translation, however, we are not responsible for any errors, omissions and/or mistakes that occur in the source text. Hukumonline reserves the right to change, modify, add or remove any errors or omissions without any prior notification being given. These services are not intended to be used as legal references, advice and/or opinions and no action should be taken as regards the reliability of any of the information contained herein without first seeking guidance from professional services."