

STANDARD OPERATING PROCEDURE OF ISSUING INDONESIAN DOMESTIC EMPLOYMENT SERVICE PERMITS IN ONE-STOP INTEGRATED SERVICES AT THE INVESTMENT COORDINATING BOARD (Regulation of the Manpower Minister of the Republic of Indonesia No.4/2015 dated January 26, 2015)

BY THE GRACE OF GOD ALMIGHTY
THE MANPOWER MINISTER OF
THE REPUBLIC OF INDONESIA,

Considering :

That to implement provisions in Article 4 letter b of Regulation of the Manpower Minister No. 25/2014 on the Realization of One-Stop Integrated Services in the Manpower Field at the Investment Coordinating Board, it is necessary to stipulate Regulation of the Manpower Minister on Standard Operating Procedure of Issuing Indonesian Domestic Employment Service Permits in One-Stop Integrated Services at the Investment Coordinating Board;

In view of :

1. Law No. 13/2003 on Manpower (Statute Book of 2003 No. 39, Supplement to Statute Book No. 4279);
2. Law No. 25/2007 on Investment (Statute Book of 2007 No. 67, Supplement to Statute Book No. 4724);
3. Law No. 25/2009 on Public Services (Statute Book of 2009 No. 112, Supplement to Statute Book No. 5038);
4. Law No. 23/2014 on Regional Government (Statute Book of 2014 No. 244, Supplement to Statute Book No. 5587);
5. Presidential Regulation No. 39/2014 on List of Business Fields Closed and Business Fields Open with Conditions to Investment in the Investment Sector (Statute Book of 2014 No. 93);
6. Presidential Regulation No. 97/2014 on the Realization of One-Stop Integrated Services (Statute Book of 2014 No. 221);
7. Presidential Decree No. 121/P/2014 on the Creation of Ministries and Appointment of Ministers of the Working Cabinet 2014-2019;
8. Regulation of the Manpower and Transmigration Minister No. 07/MEN/IV/2008 on Employment;
9. Regulation of the Manpower Minister No. 25/2014 on the Realization of One-Stop Integrated Services in the Manpower Field at the Investment Coordinating Board (State Gazette of 2014 No. 1934);

10. Regulation of the Chief of the Central Statistics Agency No. 57/2009 on Standard Classification of Business Fields in Indonesia;

DECIDES :

To stipulate :

STANDARD OPERATING PROCEDURE OF ISSUING INDONESIAN DOMESTIC EMPLOYMENT SERVICE PERMITS IN ONE-STOP-INTEGRATED SERVICES AT THE INVESTMENT COORDINATING BOARD.

Article 1

Referred to in this Ministerial Regulation as :

1. One-Stop Integrated Service, hereinafter abbreviated into PTSP, is an integrated service in a unit of process starting from the phase of application to the phase of settlement of service product through one-stop service.
2. Employment is the process of providing services to job seekers to find jobs and job providers to fill job vacancies according to talent, interest and capacity.
3. Indonesian Domestic Employment Service Permit, hereinafter called employment service permit, is a permit issued to a legal entity that has secured a written permit from the Minister to realize employment.
4. Private Employment Service Institution, hereinafter abbreviated into LPTKS, is a private institution with legal entity that has secured an employment service permit from the Minister to provide employment service.
5. Ministry is the ministry that carries out government affairs in the manpower field.
6. Minister is the minister that carries out government affairs in the manpower field.

Article 2

This Ministerial Regulation is aimed at serving as a guide for officers to issue employment service permits in PTSP at the Investment Coordinating Board (BKPM) and stakeholders to see the flowchart of issuing employment service permits.

Article 3

The scope of this Ministerial Regulation covers :

- a. the issuance of new employment service permits;
- b. the issuance of extended employment service permits; and
- c. the issuance of employment service permits, on condition the ownership of foreign capital accords with the law and regulation.

Article 4

The employment service permits as referred to in Article 3 are issued by the BKPM Chief for and on behalf of the Minister.

Article 5

The procedure of issuing employment service permits is contained in Attachment I, flowchart is contained in Attachment II, and the model and format of employment service permits is contained in Attachment III to this Ministerial Regulation.

Article 6

The issuance of employment service permits as referred to in Article 3 is done according to the regulation and law.

Article 7

- (1) The issuance of employment service permits is done manually or through online system.
- (2) The online system as referred to paragraph (1) is realized through the website <http://www.lptks.net> and in stages.

Article 8

This Ministerial Regulation shall begin to take effect on the date of promulgation.

For public cognizance, this Ministerial Regulation shall be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On January 26, 2015

THE MANPOWER MINISTER OF
THE REPUBLIC OF INDONESIA,

sgd.

M. HANIF DHAKIRI

Promulgated in Jakarta

On January 26, 2015

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

sgd.

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA
OF 2015 NO. 121

ATTACHMENT I

CHAPTER I

INTRODUCTION

A. Background

Article 27 paragraph 2 of the 1945 Constitution which has already been amended by Article 28 D paragraph 2 stipulates that everybody has the right to work and receive fair and reasonable recompense and treatment in work relations. Article 4 letter b of Law No. 13/2003 on Manpower stipulates that evenly distribution of job opportunities must be made across the Unitary State of the Republic of Indonesia as a unit of job market by providing equal chance to all Indonesian workers to find jobs according to their talent, interest and capacity. Likewise, the evenly employment must be made to fill the needs in all sectors and regions.

Employment is the process of serving job seekers to find jobs according to their talent, interest and capacity and job providers to fill job vacancies according to the required conditions of positions.

To provide fast, easy, cheap, transparent, fixed and reachable services and bring services closer to the public in the process of issuing employment service permits in the sectors in which the ownership of foreign capital is found, as well as to implement the mandate of Presidential Regulation No. 39/2014 on List of Business Fields Closed and Business Fields Open with Conditions to Investment in the Investment Sector, Presidential Regulation No. 97/2014 on the Realization of One-Stop Integrated Services and Regulation of the Manpower Minister No. 25/2014 on the Realization of One-Stop Integrated Services in the Manpower Field at the Investment Coordinating Board, it is necessary to stipulate Standard Operating Procedure of Issuing Indonesian Domestic Employment Service Permits in One-Stop Integrated Services at the Investment Coordinating Board.

B. Purpose and Aim

1. The purpose of drawing up SOP is to ensure that the process of issuing employment service permits runs effectively and efficiently according to the law and regulation to meet demand from job seekers and job providers.
2. The aim of drawing up SOP is to provide a guide for permit issuing officials and operational officers to provide services as well as to stakeholders to see the flow chart of services in domestic employment.

CHAPTER II

ISSUANCE OF NEW EMPLOYMENT SERVICE PERMITS

1. Requirements

Referred to in this SOP as LPTKS is LPTKS with foreign capital participation that will provide domestic employment services and must hold an employment service permit issued by the BKPM Chief for and on behalf of the Minister.

To apply for an employment service permit, the following requirements must be met:

- a. Copy of deeds of incorporation and/or deeds of change in legal entity approved by the authorized agency;
- b. Copy of statement of corporate domicile;
- c. Copy of Taxpayer Code No. (NPWP);

- d. Copy of evidence of obligation to report workers according to Law No. 7/1981 which is still valid;
- e. Copy of articles of association containing activities in the field of worker placement;
- f. Copy of evidence of ownership of office facilities and infrastructure as well as office supplies, or evidence of office rent agreement/cooperation within a period of 5 (five) years;
- g. Organizational structure and personnel chart;
- h. work plan of worker placement institution for at least 1 (one) year;
- i. 3 (three) pieces of color photograph of company leadership measuring 4x6 cm;
- j. Evidence of notification of plan to set up LPTKS from the agency responsible for manpower affairs at regency/municipal level according to the company's domicile.

2. Verification

Verification consists of document verification, expose and field verification:

a. Document Verification

- 1) The required documents that have been complete will be given a receipt.
- 2) The required documents that have not been complete will be returned to be completed.
- 3) The period of document verification is 1 (one) working day after the documents have been declared complete by PTSP officer.

b. Expose

- 1) Expose is done within 1 (one) working day after the documents have been declared complete.
- 2) Expose is done by company leadership/equal to director to the team consisting of elements from BKPM and the Ministry over business profile and work plan for at least 1 (one) year ahead.
- 3) The team as referred to in point 2 consists of at least elements in charge of handling domestic employment and the supervision of manpower affairs.

c. Field Verification:

- 1) Field verification is done within a maximum period of 3 (three) working days after expose has been done;
- 2) Field verification is done by a team consisting of elements from BKPM and the Ministry to see the validity of documents, result and compatibility with the real condition in the field;
- 3) The team from the Ministry as referred to in point 2 must at least consist of elements in charge of handling domestic employment and the supervision of manpower affairs.

- d. The results of document verification, expose and field verification are reported to the BKPM Chief for and on behalf of the Minister for 1 (one) working day.

3. Issuance of Permits

- a. If the results of document verification, expose, and field verification accord with the required documents, the BKPM Chief for and on behalf of the Minister shall issue an employment service permit
- b. If the results of document verification, expose, and field verification do not accord with the required documents, the BKPM Chief for and on behalf of the Minister shall reject the application for an employment service permit.
- c. The BKPM Chief for and on behalf of the Minister issues an employment service permit within a period of 1 (one) working day after receiving a report of document verification, expose and field verification;
- d. Copies of the employment service permit are addressed to the Minister attn. the Director General of Employment Development, the Head of the Provincial Office and the Head of Regency/Municipal Office responsible for the manpower field;
- e. The applicant or party assigned by company collects the employment service permit already signed by the BKPM Chief for and on behalf of the Manpower Minister in the PTSP counter;
- f. The officer issues a receipt of handing over the employment service permit to the applicant or the party assigned by the company.
- g. The employment service permit is valid for 5 (five) years and can be extended for another 5 (five) years.

CHAPTER III

ISSUANCE OF EXTENDED EMPLOYMENT SERVICE PERMITS

Any application for an extended employment service permit is filed no later than 30 (thirty) days before the permit expires through the following mechanism:

1. Collecting an application form for extended employment service permit.

The form is available in the PTSP counter.

2. The filling and collection of application form for extended employment service permit.

The application form is returned to the PTSP officer after being filled by enclosing the required documents as follows:

- a. the original of the valid employment service permit
 - b. evidence of submitting a report to the Director General of Employment Development, the Head of the Provincial Office and the Head of Regency/Municipal Office responsible for the manpower field in the form of employment recapitulation;
 - c. copy of Taxpayer Code No. (NPWP);
 - d. plan for employment at least in the next 1 (one) year;
 - e. copy of evidence of ownership of office facilities and infrastructure as well as office supplies, or evidence of office rent agreement/cooperation within a period of 5 (five) years;
 - f. 3 (three) pieces of color photograph of the person in charge measuring 4x6 cm.
3. Verification of extended permit consists of document verification and field verification:
- 1) Document Verification
 - a. The required documents that have been complete will be given a receipt.
 - b. The required documents that have not been complete will be returned to be completed.
 - c. The period of document verification is 1 (one) working day after the documents have been declared complete by PTSP officer.
 - 2) Field Verification:
 - a. Field verification is done within a maximum period of 3 (three) working days after expose has been done;
 - b. Field verification is done by a team consisting of elements from BKPM and the Ministry to see the validity of documents, result and compatibility with the real condition in the field;
 - c. The team from the Ministry as referred to in point 2 must at least consist of elements in charge of handling domestic employment workers and the supervision of manpower affairs.
4. Issuance of Extended Permits
- a. If the results of document verification and field verification accord with the required documents, the BKPM Chief for and on behalf of the Minister shall issue an extended employment service permit.
 - b. If the results of document verification and field verification do not accord with the required documents, the BKPM Chief for and on behalf of the Minister shall reject the application for an extended employment service permit.
 - c. The BKPM Chief for and on behalf of the Minister issues an employment service permit within a period of 1 (one) working day after receiving a report of document verification and field verification;

- d. Copies of the extended employment service permit are addressed to the Minister attn. the Director General of Workers Placement Development, the Head of the Provincial Office and the Head of Regency/Municipal Office responsible for the manpower field;
- e. The applicant or party assigned by company collects the extended employment service permit already signed by the BKPM Chief for and on behalf of the Minister in the PTSP counter;
- f. The officer issues a receipt of handing over the extended employment service permit to the applicant or the party assigned by the company.
- g. The extended employment service permit cannot be issued if the application exceeds the specified time limit
- h. If LPTKS does not extend the employment service permit, the relevant party shall return it to the BKPM Chief for and on behalf of the Minister.

CHAPTER III

ISSUANCE OF ALTERED EMPLOYMENT SERVICE PERMIT

In case of a change in the name of company, address, and board of directors or board of commissioners, employment service business must submit a change in the employment service permit to the BKPM Chief for and on behalf of the Minister through the following mechanism:

1. Application form for a change in the employment service permit is available in the PTSP counter.
2. The application form for a change in the employment service permit that has been filled is returned to PTSP officer by enclosing required documents as follows:
 - a. application form from the company leadership;
 - b. copy of the valid employment service permit;
 - c. copy of a letter endorsing a change in notarial deeds from the authorized agency;
 - d. copy of resident identity card (KTP) of company leadership for an employment service business making a change in person in charge;
 - e. copy of Taxpayer Code No. (NPWP);
 - f. full address and new phone/fax number for LPTKS making a change in address;
 - g. 3 (three) pieces of color photograph of the person in charge measuring 4 x 6 cm.
3. When submitting the documents as referred to in point 2, LPTKS must show the original of the documents.

4. Verification of a change in employment service permit consist of document verification and field verification:

1) Document Verification

- a. The required documents that have been complete will be given a receipt.
- b. The required documents that have not been complete will be returned to be completed.
- c. The period of document verification is 1 (one) working day after the documents have been declared complete by PTSP officer.

2) Field Verification:

- a. Field verification is done within a maximum period of 3 (three) working days after document verification has been done;
- b. Field verification is done by a team consisting of elements from BKPM and the Ministry to see the validity of documents, result and compatibility with the real condition in the field;
- c. The team from the Ministry as referred to in point 2 must at least consist of elements in charge of handling domestic employment and supervision of manpower affairs.

5. Issuance of Altered Employment Service Permit

- a. If the results of document verification and field verification accord with the required documents, the BKPM Chief for and on behalf of the Minister shall issue an altered employment service permit.
- b. If the results of document verification and field verification do not accord with the required documents, the BKPM Chief for and on behalf of the Minister shall reject the application for an altered employment service permit.
- c. The BKPM Chief for and on behalf of the Minister issues or rejects to issue an employment service permit within a period of 1 (one) working day after receiving a report of document verification and field verification;
- d. Copies of the altered employment service permit are addressed to the Minister attn. the Director General of Workers Placement Development, the Head of the Provincial Office and the Head of Regency/ Municipal Office responsible for the manpower field;
- e. The applicant or party assigned by company collects the altered employment service permit already signed by the BKPM Chief for and on behalf of the Manpower Minister in the PTSP counter;
- f. The officer issues a receipt of handing over the altered employment service permit to the applicant or the party assigned by the company.

CHAPTER IV

CONCLUSION

This SOP was drawn up to serve as a reference for permit issuing officials and operational officers to provide services and stakeholders to see the flow chart of issuing employment service permits ef-

fectively and efficiently according to the law and regulation as well as to see the process of issuing new, extended and altered employment service permits.

THE MANPOWER MINISTER OF
THE REPUBLIC OF INDONESIA,

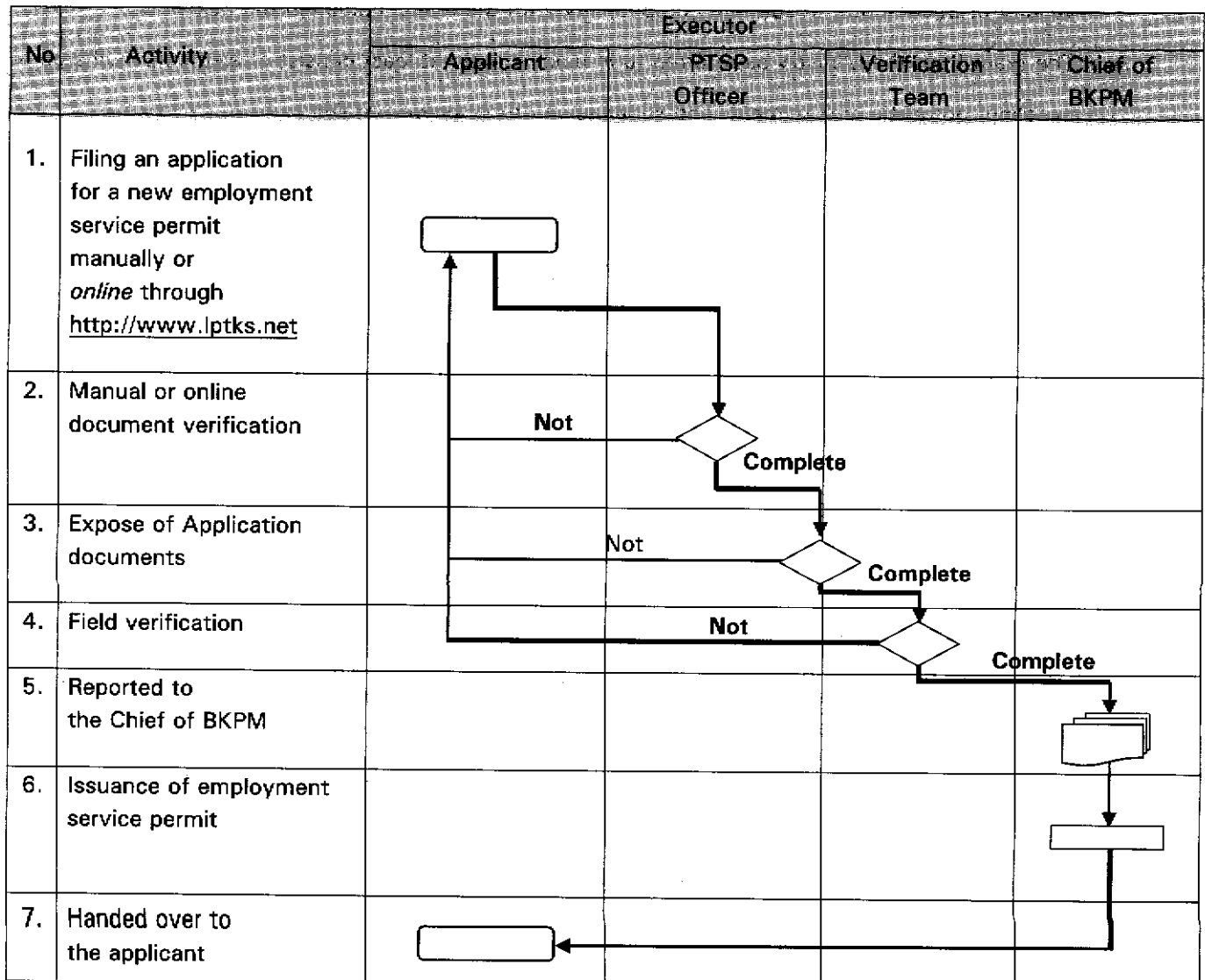
sgd.

M. HANIF DHAKIRI

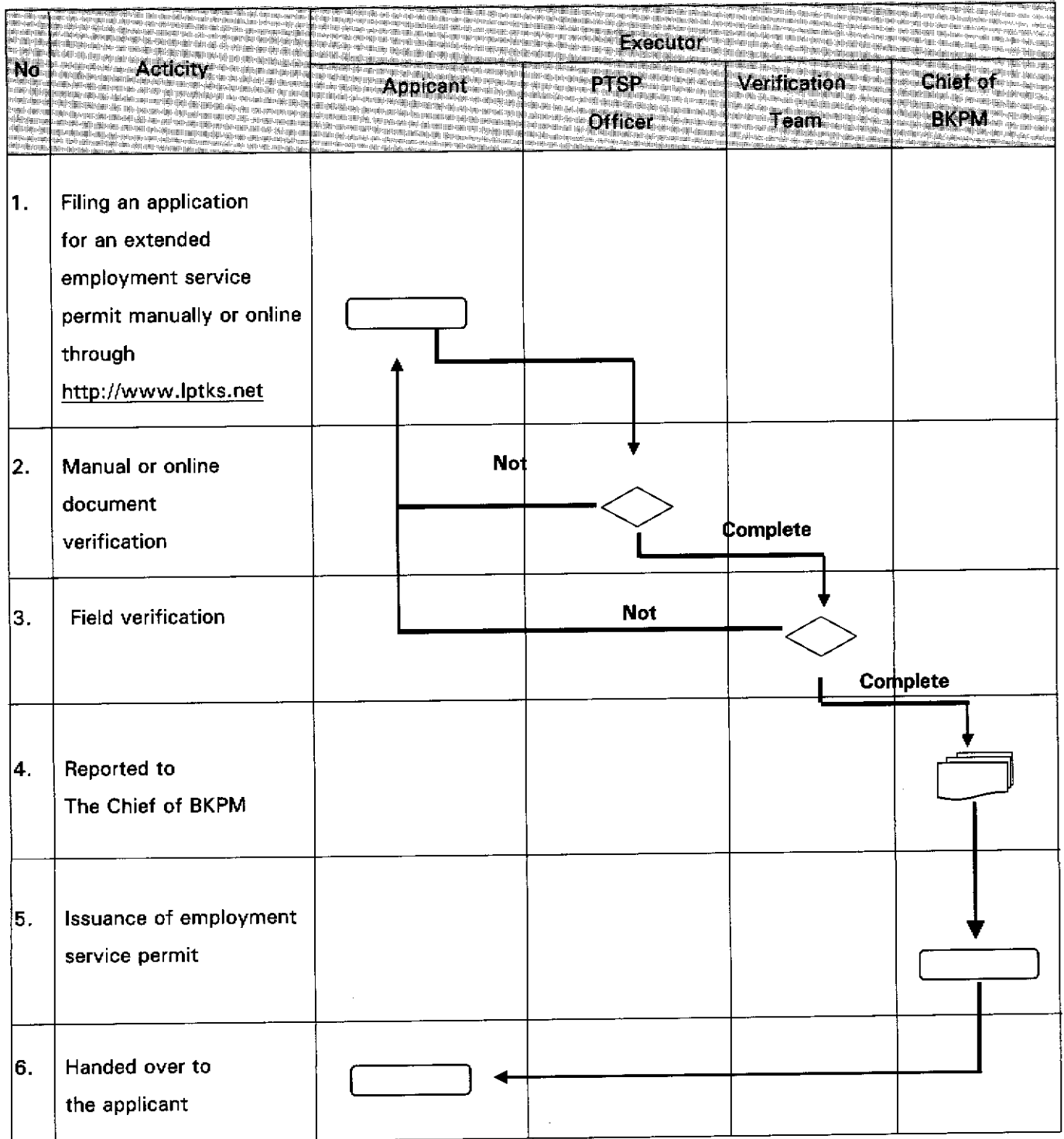
ATTACHMENT II

FLOWCHART

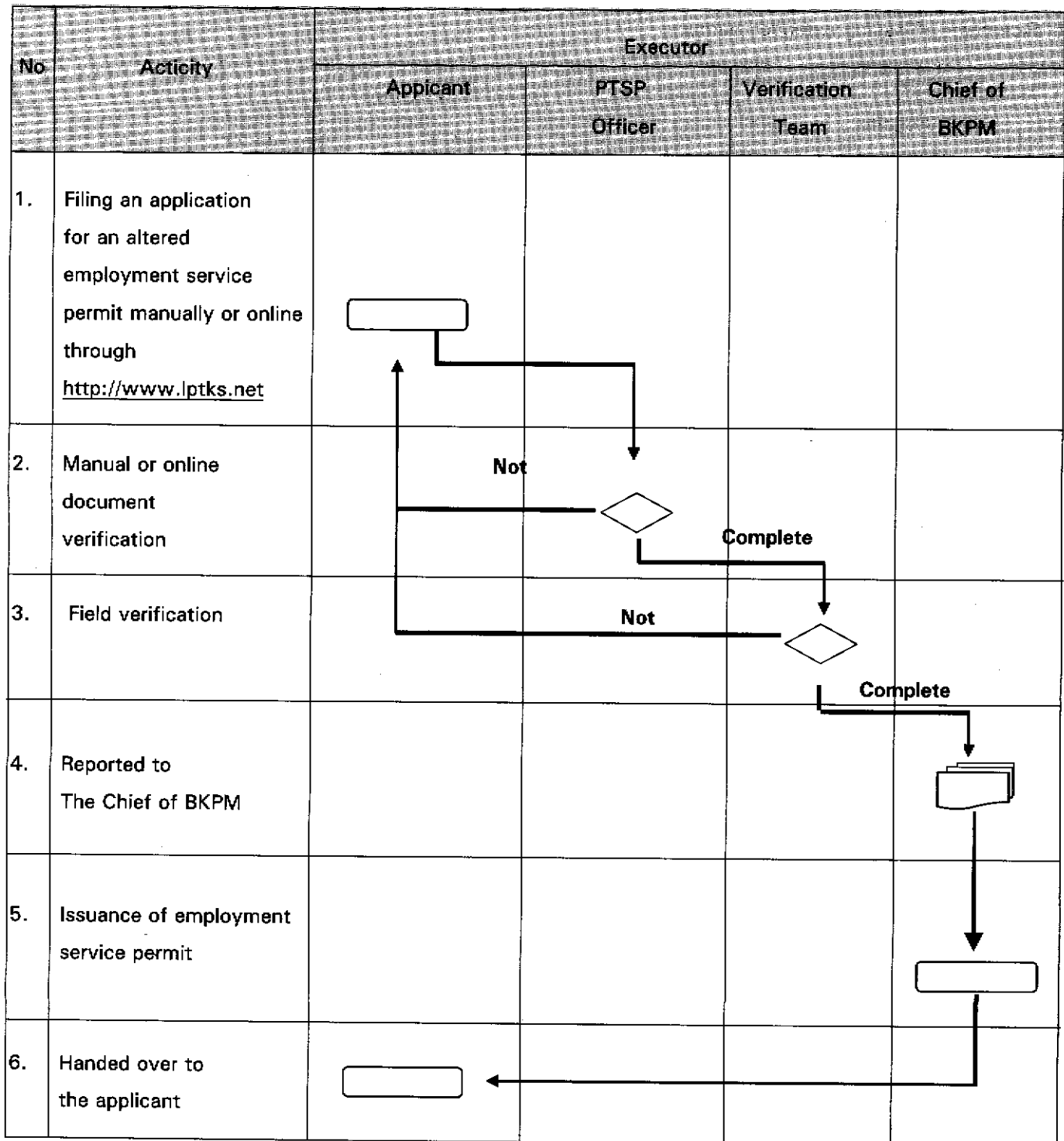
a. Flowchart of Issuing New Permits



b. Flowchart of issuing extended permit



b. Flowchart of issuing altered permit



MANPOWER MINISTER OF
THE REPUBLIC OF INDONESIA,

sgd.

M. HANIF DHAKIRI

ATTACHMENT III

REGULATION OF THE MANPOWER MINISTER OF THE REPUBLIC OF INDONESIA NO. 4/2015 ON
STANDARD OPERATING PROCEDURE OF ISSUING EMPLOYMENT SERVICE PERMITS IN ONE-STOP
INTEGRATED SERVICE AT THE INVESTMENT COORDINATING BOARD MODEL AND FORMAT OF
EMPLOYMENT SERVICE PERMIT THE MANPOWER MINISTRY OF THE REPUBLIC OF INDONESIA

DIRECTORATE GENERAL OF EMPLOYMENT DEVELOPMENT

Jl. Jendral Gatot Subroto Kav. 51 Blok. A Floor. 4 Phone/Fax. 021 – 5250390 South Jakarta 12950

Employment Service Permit

No. :

DIRECTOR GENERAL OF
EMPLOYMENT DEVELOPMENT

Observing : Application for Employment Service Permit

No. : dated and notification on plan to set up Indonesian employ-
ment service business from the Head of Regency/Municipal Manpower Office No. :
..... dated.....

Considering : a. that the application for an employment service permit under the name of PT.
has met conditions;
b. that for this purpose, it is necessary to issue an employment service unit;

In view of : 1. Law No. 13/ 2003 on Manpower;
2. Government Regulation No. 38/2007 on the Distribution of Government Authority among the
Central Government, Provincial Governments and Regency/Municipal Governments;
3. Presidential Decree No. 36/2002 on the Endorsement of ILO Convention No. 88 Concerning
The Organization of The Employment Service;

4. Decree of the Manpower and Transmigration Minister No. KEP.230/MEN/2003 on Certain Classes and Posts Subjected to Employment Charge;
5. Regulation of the Manpower and Transmigration Minister No.r PER.07/MEN/IV/2008 on Employment.

DECIDES :

To stipulate :

FIRST : Issuing an domestic employment service permit to :

Name of Company : PT.....

Director :

Office Address :

SECOND : This domestic employment service permit shall be used to carry out employment activity
.....

THIRD : This domestic employment service permit is valid for 5 (five) years starting from the date of stipulation to the date of and can be extended after having its performance evaluated according to the law and regulation.

Stipulated in Jakarta

on the date of

Director General of

Employment Development

.....

NIP.

MANPOWER MINISTER OF
THE REPUBLIC OF INDONESIA,

sgd.

M. HANIF DHAKIRI

(S)