

BUPATI LEBAK BANTEN PROVINCE

REGIONAL REGULATION OF LEBAK DISTRICT NUMBER 1 OF 2023

ON

PROVIDING INCENTIVES AND/OR EASE OF INVESTMENT

BY THE BLESSINGS OF THE ALMIGHTY GOD BUPATI LEBAK,

- Considering : a. that investment is one of the factors supporting economic growth in order to create jobs, improve people's welfare and increase economic growth and development in the Region;
 - b. that in order to increase investment, it is necessary to create a conducive investment climate and business climate through the provision of incentives and/or ease of investment so as to encourage the participation of the community and the private sector in development in the Region;
 - c. that to implement the provisions of Article 278 paragraph
 (2) of Law Number 23 of 2014 concerning Regional Government and Article 7 paragraph (1) of Government Regulation Number 24 of 2019 concerning Provision of Incentives and Ease of Investment in the Regions;

Сору

- d. that based on the considerations as referred to in points a,b, and c, it is necessary to stipulate a Regional Regulation on the Provision of Incentives and/or Ease of Investing;
- Observing : 1. Article 18 paragraph (6) of the 1945 Constitution of the Republic of Indonesia;
 - 2. Law Number 14 of 1950 Concerning Regency Regional Government within the Province of West Java (Bulletin Gazette of 1950) as amended by Law Number 4 of 1968 Concerning the Establishment of Purwakarta Regency and Subang Regency by Amending Law Number 14 of 1950 Concerning the Establishment of Regency Regions within the Province of West Java (State Gazette of the Republic of Indonesia of 1968 Number 31, Supplement to State Gazette of the Republic of Indonesia Number 2851);
 - Law Number 23 of 2000 Concerning the Establishment of Banten Province (State Gazette of the Republic of Indonesia Year 2000 Number 182, Supplement to State Gazette of the Republic of Indonesia Number 4010);
 - 4. Law Number 25 of 2007 on Capital Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to the State Gazette of the Republic of Indonesia Number 4724) as amended by Law Number 11 of 2020 on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);
 - 5. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to State Gazette of the Republic of Indonesia Number 5587) as frequently amended and last by Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments (State Gazette of the Republic of Indonesia of 2022 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 6757);
 - 6. Government Regulation Number 24 of 2019 concerning Provision of Incentives and Ease of Investment in the

Regions (State Gazette of the Republic of Indonesia of 2019 Number 63, Supplement to State Gazette of the Republic of Indonesia Number 6330);

- Government Regulation Number 7 of 2021 on the Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises (State Gazette of the Republic of Indonesia of 2021 Number 17, Supplement to State Gazette of the Republic of Indonesia Number 6619);
- Regulation of the Ministry of Home Affairs Number 64 of 2012 concerning Guidelines for the Implementation of Incentives and Ease of Investment in the Regions (State Gazette of the Republic of Indonesia Year 2012 Number 930);
- 9. Regional Regulation of Lebak Regency Number 8 of 2016 concerning the Formation and Structure of Regional Apparatus of Lebak Regency (Regional Gazette of Lebak Regency of 2016 Number 8, Supplement to Regional Gazette of Lebak Regency Number 20168) as frequently amended and last by Regional Regulation of Lebak Regency Number 9 of 2021 concerning the Second Amendment to Regional Regulation of Lebak Regency of 2016 concerning the Formation and Structure of Regional Apparatus of Lebak Regency (Regional Gazette of Lebak Regency Year 2021 Number 9, Supplement to Regional Gazette of Lebak Regency Number 20219);

With The Joint Approval

THE REGIONAL PEOPLE'S REPRESENTATIVE COUNCIL OF LEBAK REGENCY

And

BUPATI LEBAK

HAS DECIDED:

To enact : A REGIONAL REGULATION CONCERNING THE PROVISION OF INCENTIVES AND/OR EASE OF INVESTMENT.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regional Regulation what is meant by:

- 1. The Region is Lebak Regency.
- 2. The Regional Government is the Regent as an organizing element of the Regional Government who leads the implementation of government affairs which fall under the authority of the autonomous region.
- 3. The Regent is the Regent of Lebak Regency.
- 4. Regional Apparatus is an auxiliary element of the Regent and the Regional House of Representatives in the implementation of government affairs which fall under the authority of the Region.
- 5. Community is a person or group of people who are citizens of the Republic of Indonesia who have and/or conduct business activities in accordance with the provisions of laws and regulations.
- 6. Dinas is a Regional Apparatus in charge of investment affairs.

- Investor is an individual or business entity that invests, which can be in the form of domestic investors and foreign investors.
- 8. Capital is an asset in the form of money or other forms that are not money owned by the Investor that has economic value.
- Provision of Incentives is fiscal policy support from the Regional Government to the public and/or Investors to increase investment in the Region.
- 10. Provision of Ease of Investing is the provision of nonfiscal facilities from the Local Government to the Community and/or Investors to facilitate each investment activity and to increase investment in the Region.
- 11.Regional Taxes, hereinafter referred to as Taxes, are mandatory contributions to the Region owed by individuals or entities that are compelling based on the Law, with no direct reward and are used for Regional purposes for the greatest prosperity of the people.
- 12. Regional Retribution hereinafter referred to as Retribution is a Regional levy as payment for services or granting of certain permits specifically provided and/or granted by the Regional Government for the benefit of individuals or entities.
- 13.Investment is any form of investment activity, either by domestic investors or foreign investors to conduct business in the Region.
- 14. Cooperative is a legal entity established by individuals or Cooperative legal entities, with the separation of the wealth of its members as capital to run a business, which fulfills the aspirations of the members and common needs in the economic, social, and cultural fields in accordance with the values and principles of Cooperatives.
- 15. Micro Businesses are productive businesses owned by individuals and/or individual business entities that meet the criteria of Micro Businesses.

16.Verification and Assessment Team for Providing Incentives and Ease of Investment, hereinafter referred to as the Team, is a Team appointed and determined by the Regent to carry out the verification and assessment process in the context of providing incentives and ease of investment.

Article 2

- (1) This Regional Regulation is intended to realize legal certainty in Providing Incentives and/or Ease of Investing as an effort to attract Investors to increase investment in the Region so as to create a conducive business climate for strengthening economic competitiveness in the Region.
- (2) This Regional Regulation aims to:
 - a. increase investment in the Region;
 - b. increase economic growth and development in the Region;
 - c. create employment opportunities
 - d. increase the capability and competitiveness of the Region;
 - e. encourage the development of the people's economy; and
 - f. realizing the welfare of the Community.

Article 3

Provision of Incentives and/or Ease of Investing is

implemented based on the principles of:

- a. legal certainty;
- b. equality
- c. transparency
- d. accountability; and
- e. effective and efficient.

Article 4

The scope of this Regional Regulation includes:

a. criteria;

- b. type of business;
- c. form of Provision of Incentives and/or Ease of Investing;

- d. procedures for granting and the basis for assessment as well as the period and frequency of Granting Incentives and/or Ease of Investing; and
- e. reporting and evaluation;

CHAPTER II

CRITERIA

Article 5

- (1) The Regional Government may provide Incentives and/or Ease of Investing in accordance with the Regional capacity.
- (2) Provision of Incentives and/or Ease of Investing as referred to in paragraph (1) is given to the Community and/or Investors who meet the following criteria:
- a. contributes to increasing the income of the Community;
- b. absorbs labor
- c. uses most of the local resources
- d. contributes to the improvement of public services
- e. contributes to the increase of gross regional domestic product;
- f. environmentally sound and sustainable;
- g. infrastructure development
- h. conducting technology transfer;
- i. conducting pioneer industries;
- j. carrying out research, development, and innovation activities;
- k. partnering with micro, small, or cooperative enterprises;
- industries that use capital goods, machinery, or equipment produced domestically;
- m. conduct business activities in accordance with national and/or regional priority programs; and/or
- n. export-oriented.

CHAPTER III

TYPE OF BUSINESS

Article 6

Types of businesses that can be prioritized to get Incentive and/or Ease of Investing include:

a. Micro Enterprises, and/or Cooperatives;

b. businesses that are required by partnership;

- c. businesses that are required to have capital ownership;
- d. businesses that are required with certain locations;
- e. business required with special license;
- f. business that is open in the context of Investment that prioritizes Regional excellence;
- g. businesses that have received Investment facilities from the Central Government; and/or
- h. other businesses in accordance with the provisions of laws and regulations.

Article 7

Further provisions regarding the types of businesses that obtain Incentives and/or Ease of Investing as referred to in Article 6 shall be regulated in a Regent Regulation.

CHAPTER IV FORMS OF INCENTIVES AND/OR EASE OF INVESTING

Article 8

- (1) Provision of incentives may take the form of:
 - a. reduction, relief, or exemption of Tax;
 - b. reduction, relief, or exemption of Retribution;
 - c. provision of Capital assistance to Micro Enterprises, and/or Cooperatives;
 - d. assistance for research and development for Micro Enterprises, and/or Cooperatives in the Region;
 - e. assistance for vocational training facilities for Micro Enterprises, and/or Cooperatives in the Region; and/or
 - f. low loan interest.
- (2) Further provisions regarding the form of Incentive Provision as referred to in paragraph (1) shall be regulated in a Regent Regulation.

Article 9

- (1) Provision of Ease of Investment may take the form of:
 - a. provision of data and information on Investment opportunities;

- b. provision of facilities and infrastructure
- c. facilitation of land or location provision
- d. provision of technical assistance;
- e. simplification and acceleration of licensing through onestop integrated services;
- f. easy access to marketing of production results
- g. ease of direct investment in construction
- h. ease of investment in strategic areas stipulated in laws and regulations that have the potential for Regional development;
- i. providing comfort and security to invest in the Region;
- j. ease of certification and standardization processes in accordance with the provisions of laws and regulations;
- k. easy access to ready-made and skilled labor;
- 1. easy access to raw material supply; and/or
- m. facilitation of promotion in accordance with Regional authority.
- (2) Further provisions regarding the form of provision of Ease of Investment as referred to in paragraph (1) shall be regulated in a Regent Regulation.

CHAPTER V

PROCEDURES AND BASIS OF ASSESSMENT AS WELL AS THE PERIOD AND FREQUENCY OF GRANTING INCENTIVES AND/OR EASE OF INVESTMENT

Part One

Procedures and Basis for Assessment of Providing Incentives and/or Ease of Investing.

Article 10

(1) Investors and/or the Community submit an application in writing to the Regent through the Service Office.

- (2) The application as referred to in paragraph (1) for:
- a. New investors who will open a business, at least contains:

1. company profile; and

- 2. the form of incentives and/or facilities requested.
- b. Investors who will expand their business, at least contain:
- 1. company performance;

2. business development

3. business scope; and

4. the form of incentives and/or facilities requested.

(3) Application for Provision of Incentives and/or Ease of Investing as referred to in paragraph (1) shall be verified by a Team.

(4) The elements and duties of the Team as referred to in paragraph (3) shall be stipulated by a Regent Decree.

Article 11

(1) The Regent determines the recipient of the Incentive Grant and/or Ease of Investing based on the results of the Team's assessment and recommendations.

(2) The recipients as referred to in paragraph (1) shall be stipulated by a Regent Decree.

(3) The Regent Decree as referred to in paragraph (2) shall at least contain the name, address of the applicant, business field or investment activity, form of incentives and/or facilities, period of incentives and rights and obligations of the recipient of incentives and/or investment facilities.

Article 12

Further provisions regarding the procedures and basis for assessing the Provision of Incentives and/or Ease of Investing as referred to in Article 10 and Article 11 are regulated in a Regent Regulation.

Second Part

Time Period and Frequency of Provision of Incentives and/or Ease of Investing

Article 13

(1) Provision of Incentives and/or Ease of Investing shall be carried out within a certain period and frequency.

(2) Further provisions regarding the period and frequency of Providing Incentives and/or Ease of Investing as referred to in paragraph (1) shall be regulated in a Regent Regulation.

CHAPTER VI

REPORTING AND EVALUATION

Article 14

 Investors and/or Communities who receive Incentives and/or Ease of Investing shall submit a report to the Regent through the Service Office.

(2) The report as referred to in paragraph (1) shall be submitted1 (one) time in 1 (one) year.

(3) The report as referred to in paragraph (2) at least contains:a. report on the utilization of Incentives and/or Ease ofInvesting; and

b. the development of the company after obtaining Incentives and/or Ease of Investing.

Article 15

The Regent shall submit a report on the implementation of the Provision of Incentives and/or Ease of Investing to the Governor once every 1 (one) year.

Article 16

(1) The Regent through the Service conducts an evaluation of the effectiveness of the implementation of the Provision of Incentives and/or Ease of Investing that has been given to the Community and/or Investors.

(2) The evaluation as referred to in paragraph (1) shall be carried out once every 1 (one) year.

Article 17

Provision of Incentives and/or Ease of Investing can be reviewed if based on the evaluation, the Community and/or Investor no longer meets the criteria as referred to in Article 5 paragraph (2) or is contrary to the provisions of the Laws and Regulations.

CHAPTER VII

CLOSING PROVISIONS

Article 18

This Regional Regulation shall come into force on the date of promulgation.

So that everyone may know it, it is ordered that this Regional Regulation be promulgated with its Placement in the Regional Gazette of Lebak Regency.

> Issued in Rangkasbitung On January 19, 2023 BUPATI LEBAK,

Cap/Ttd.

ITI OCTAVIA JAYABAYA

Promulgated in Rangkasbitung

On January 19, 2023

REGIONAL SECRETARY OF LEBAK REGENCY

Cap/Ttd.

BUDI SANTOSO

REGIONAL GAZETTE OF LEBAK REGENCY YEAR 2023 NUMBER 1

REGISTRATION NUMBER OF LOCAL REGULATIONS OF LEBAK DISTRICT, BANTEN : (1, 1/2023)

EXPLANATION ABOVE REGIONAL REGULATION OF LEBAK REGENCY NUMBER OF

ON

PROVISION OF INCENTIVES AND/OR EASE OF INVESTING

Lebak Regency is the largest Regency in Banten Province with considerable natural wealth, the potential must be balanced with good management, one of which is by improving a sustainable investment climate so as to encourage community and private sector participation in regional development and community welfare. One form of management is in the form of developing an investment strategy, namely a policy of providing incentives and ease of investment.

Regulations regarding the policy of providing incentives and ease of investment are regulated in Article 278 of Law Number 23 of 2014 concerning Regional Government and Article 7 paragraph (1) of Government Regulation Number 24 of 2019 concerning Providing Incentives and Ease of Investment in the Region which states that Regional Government organizers can involve the role of the community and the private sector in Regional development by providing incentives and/or facilities to the community and/or investors.

Based on this, the Government of Lebak Regency needs to establish a Regional Regulation on Providing Incentives and/or Ease of Investing as a guideline in the implementation of providing incentives and ease of investment in Lebak Regency.

II. ARTICLE BY ARTICLE

Article 1

I. GENERAL

Article 2

Sufficiently clear.

Article 3

Point a

The term "legal certainty" means the principle that places the law and the provisions of laws and regulations as the basis of the Regional Government in every policy and action in Providing Incentives and/or Providing Ease of Investing.

Point b

The term "equality" means the same treatment for Investors without favoring and benefiting one particular group, group, or business scale.

Point c

The term "transparency" means the openness of information in Providing Incentives and/or Ease of Investing to the public and/or investors.

Point d

The term "accountability" means a form of responsibility for the Provision of Incentives and/or Investment Facilities.

Point e

The term "effective and efficient" means a rational and economical consideration and a guarantee that has an impact on increasing productivity and public services.

Article 4

Sufficiently clear.

Article 5

Paragraph (1) Sufficiently clear. Paragraph (2) Point a

Sufficiently clear.

Point b

The term "absorbing labor" means prioritizing local labor.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Point k

The term "micro and small businesses" means individuals or business entities that have business criteria as referred to in the law regarding micro, small and medium enterprises.

Point 1

Sufficiently clear.

Point m

Sufficiently clear.

Point n

Sufficiently clear.

Article 6

Point a

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term "certain locations" includes businesses located in remote areas, underdeveloped areas, border areas, and/or in certain strategic areas in accordance with the provisions of laws and regulations.

Point e

The term "special licensing" includes businesses that require licenses from certain ministries/agencies in accordance with the provisions of laws and regulations.

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Point f
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Sufficiently clear.

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Point g
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Sufficiently clear.

Point h

The term "other businesses in accordance with the provisions of laws and regulations" includes Small Enterprises, Medium Enterprises, and Large Enterprises that can obtain Ease of Investment.

"Small Business" means a stand-alone productive economic business, conducted by an individual or business entity that is not a subsidiary or branch of a company owned, controlled, or a part either directly or indirectly of a Medium Business or a Large Business that meets the criteria of a Small Business. "Medium-sized Enterprises" are productive economic businesses that stand-alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled by, or a part of, either directly or indirectly, a Small Business or a Large Business with a net worth or annual sales revenue. "Large Business" is a productive economic business conducted by a business entity with a net worth or annual sales revenue greater than that of a Medium Enterprise, which includes state-owned or private national enterprises, joint ventures, and foreign businesses conducting economic activities in Indonesia.

Article 7

Sufficiently clear.

Article 8

Paragraph (1)

Point a

Tax reduction, relief, or exemption: among others in the form of:

- a. adjustment of the Non-Taxable Tax Object Sales
 Value (NJOPTKP) and the Tax Object Sales Value
 (NJOP) of land and buildings;
- b. granting reduction, relief, or exemption in certain cases on the local tax principal and/or sanctions;
- c. the granting of reduction, relief, or exemption of Fees on Acquisition of Rights on Land and Building (BPHTB); and
- d. gradual payment of local taxes;

Point b

Reduction, relief, or exemption of regional retribution, among others, in the form of retribution for building permits for public houses for low-income people.

Point c

Sufficiently clear.

Point d

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Article 9

Paragraph (1)

Point a

Sufficiently clear.

Point b

The term "provision of facilities and infrastructure" means a form of ease of obtaining supporting facilities and infrastructure, including public infrastructure, provision of drinking water and sanitation facilities, firefighting, health services, waste management and provision of industrial and supporting infrastructure.

Point c

The term "facilitation of land or location provision" means, among others, a form of ease in processing land ownership, provision of data and information related to land and location, and mediation of dispute resolution.

Point d

Sufficiently clear.

Point e

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Point k

Sufficiently clear.

Point 1

Sufficiently clear.

Point m

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

SUPPLEMENT TO REGIONAL GAZETTE OF LEBAK REGENCY NUMBER 20231



PEMERINTAH KABUPATEN LEBAK SEKRETARIAT DAERAH

Jalan Abdi Negara No. 03 Telepon/Fax. (0252) 201001 - 201102 E-mail : setda@lebakkab.go.id - RANGKASBITUNG 42312

Rangkasbitung, 12 Desember 2023

Kepada

Nomor	:	180/ 577 - Huk.Setda/XII/2023		
Lampiran	:	-	Yth.	Direktur Jenderal Peraturan
Perihal	:	Konsultasi Penerjemahan Resmi		Perundang-Undangan,
		Peraturan Daerah Kabupaten Lebak		Kementerian Hukum dan Hak Asasi Manusia

di -

Jakarta

Disampaikan dengan hormat, sehubungan dengan Permohonan Konsultasi Penerjemahan Resmi Peraturan Daerah Kabupaten Lebak, bersama ini kami mohon kesediaan dari Direktur Jendral Peraturan Perundang-Undangan Kementerian Hukum dan Hak Asasi Manusia atau pejabat yang menangani Penerjemahan Resmi berkenan menerima kehadiran dari Bagian Hukum Sekretariat Daerah Kabupaten Lebak, yang dilaksanakan pada:

Hari/Tanggal	: Kamis, 14 Desember 2023
Jam	: 14.00 WIB

Untuk koordinasi lebih lanjut dapat menghubungi saudara Yayu Dian Peratiwi, SH (085218607210).

Demikian agar menjadi maklum, dan atas kerjasamanya kami sampaikan terimakasih.

KEPALA BAGIAN HUKUM SEKRETARIS DAERAH KABUPATEN LEBAK,



WIWIN BUDHYARTI, SH.,MA NIP. 19810228 200604 2 009

Tembusan : Yth. Sekretaris Daerah, sebagai laporan.