



COPY

MAYOR OF SURAKARTA  
PROVINCE OF CENTRAL  
JAVA

SURAKARTA CITY REGIONAL  
REGULATION NUMBER 15 YEAR  
2023

ABOUT  
PROVIDING INCENTIVES AND EASE OF INVESTMENT WITH THE GRACE  
OF GOD ALMIGHTY

MAYOR OF SURAKARTA,

Weigh : a. that in order to create a conducive investment climate, there needs to be regulations that can be used as guidelines in the implementation of incentives and ease of investment in the Regions;  
that the provision of incentives and ease of  
b. investment is one of the driving factors for regional economic development and growth that is in line with the state's goal to advance public welfare;  
that based on the provisions of Article 7 of Government Regulation Number 24 of 2019 concerning the Provision of Incentives and Ease of  
c. Investment in the Regions, the provisions regarding the provision of incentives and the provision of investment facilities are regulated by Regional Regulations;  
-  
that based on the considerations as referred to in letters a, b, and c, it is necessary to establish a  
d. Regional Regulation on the Granting of Investment Incentives and Facilities;

- Remember : 1. Article 18 paragraph (6) of the Constitution of the State  
the Republic of Indonesia in 1945;
2. Law Number 16 of 1950 concerning the Establishment of Big City Areas within the Provinces of East Java, Central Java, West Java and the Special Region of Yogyakarta (News State of the Republic of Indonesia in 1950 Number 45);
3. Law No. 25 of 2007 concerning Investment (Statute Book of the Republic of Indonesia No. 67 of 2007, Supplement to Statute Book of the Republic of Indonesia No. 4724) as amended by Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation into Law (Statute Book of the Republic of Indonesia No. 41 of 2023, Supplement to the Country Sheet Republic of Indonesia Number 6856);
4. Law No. 23 of 2014 concerning Regional Government (Statute Book of the Republic of Indonesia No. 244 of 2014, Supplement to Statute Book of the Republic of Indonesia No. 5587) as amended several times recently by Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation into Law (Statute Book of the Republic of Indonesia No. 41 of 2023, Supplement to the Statute Book of the Republic of Indonesia Number 6856);
5. Law Number 11 of 2023 concerning the Province of Central Java (Statute Book of the Republic of Indonesia Number 58 of 2023, Supplement Statute Book of the Republic of Indonesia No. 6867);

6. Government Regulation No. 24 of 2019 concerning the Provision of Incentives and Ease of Investment in the Regions (Statute Book of the Republic of Indonesia No. 63 of 2019, Supplement to Statute Book of the Republic of Indonesia No. 6330);

By mutual consent

REGIONAL HOUSE OF REPRESENTATIVES OF SURAKARTA CITY

and

MAYOR OF SURAKARTA

DECIDE:

Set : REGIONAL REGULATIONS ON THE PROVISION OF  
INCENTIVES AND EASE OF INVESTMENT.

## CHAPTER I

### GENERAL

### PROVISIONS

#### Article 1

In this Regional Regulation, what is meant by:

1. The region is the city of Surakarta.
2. The Regional Government is the Mayor as an element of the Regional Government organizer who leads the implementation of government affairs that are the authority of the autonomous region.
3. The Mayor is the Mayor of Surakarta.
4. The Regional Apparatus is an element of assisting the Regional Head and the Regional People's Representative Council in the implementation of government affairs that are the authority of the Regions.
5. The One-Stop Investment and Integrated Services Office, hereinafter abbreviated as DPMPTSP, is a regional apparatus that has the task and function of carrying out government affairs in the field of investment which is the authority of the region.

6. Investment is all forms of investment activities by both domestic and foreign investors to do business in the Regional Area.
7. Incentive is fiscal policy support from the Regional Government to the Community and/or Investors to increase investment in the region.
8. Provision of Convenience is the provision of non-fiscal facilities from the Regional Government to the community and/or Investors to facilitate every investment activity and to increase investment in the region.
9. Business Actors are individuals or non-individuals who carry out businesses and/or activities in certain fields in the Region.
10. An investor is an individual or business entity that invests in the form of domestic investors and foreign investors.
11. A community is a person or group of people who are citizens of the Republic of Indonesia who have and/or carry out business activities in accordance with the provisions of laws and regulations.
12. Local Resources are any form of production factors consisting of natural resources, labor, capital and technology, and expertise or entrepreneurship sourced from locations in the city of Surakarta
13. Micro Business is a productive business owned by an individual and/or an individual business entity that meets the criteria for a micro business.
14. Small Business is a stand-alone productive economic business carried out by an individual or business entity that is not a subsidiary or non-branch of a company that is owned, controlled, or affiliated either directly or indirectly with medium or large businesses that meet the criteria of a small business.

15. A cooperative is a legal entity established by an individual or a cooperative legal entity, with the separation of the assets of its members as capital to run a business, which meets common aspirations and needs in the economic, social, and cultural fields in accordance with the values and principles of the cooperative.
16. Pioneer industries are industries that have broad interconnectedness, provide added value and high externality, introduce new technologies, and have strategic value for the national and regional economies.
17. Supervision is an effort to ensure the implementation of business activities in accordance with the standards of the implementation of business activities carried out through a risk-based approach and obligations that must be fulfilled by Business Actors.
18. The Verification and Assessment Team is a team appointed by the Mayor to verify, assess, provide recommendations, and monitor and evaluate the Provision of Incentives and Ease of Investment.
19. Regional Tax, hereinafter referred to as Tax, is a mandatory contribution to the Region owed by individuals or entities that is coercive based on the Law, by not receiving direct rewards and being used for Regional needs for the greatest possible prosperity of the people.
20. Regional Levies, hereinafter referred to as Relevisi, are Regional levies as payment for certain services or permits that are specifically provided and/or given by the Regional Government for the benefit of individuals or entities.

## Article 2

- (1) This Regional Regulation is intended as a guideline for Regional Apparatus in the context of Providing Incentives and Ease of Investment in the Region.

- (2) The purpose of providing incentives and investment facilities includes:
- a. creating attractiveness for business actors;
  - b. Increase Equitable economics and Regional development;
  - c. increasing the sustainable economic growth of the Region;
  - d. encouraging the strengthening of regional competitiveness;
  - e. encourage local economic development;
  - f. create jobs;
  - g. improving the welfare of the community;
  - h. encourage increased investment; and
  - i. increase business partnerships.

## CHAPTER II BASIS AND SCOPE

### Part One of the Basics

#### Article 3

Provision of Incentives and Investment Facilities in the  
Regions based on:

- a. legal certainty;
- b. Openness;
- c. accountability;
- d. equal treatment and does not discriminate from country of origin;
- e. Togetherness;
- f. efficiency and fairness;
- g. Sustainable;
- h. environmentally friendly;
- i. Independence; and
- j. balance of progress and national economic unity.

Part Two of the  
Scope

Article 4

Room range that Set deep Regional Regulations

These include:

- a. applicants and criteria for Incentive and Investment Facilitation;
- b. the form of incentives and facilities provided;
- c. the type of business or investment activity that obtains Incentives and Facilities;
- d. procedures for Providing Incentives and Ease of Investment;
- e. compasstime and Frequency Gift Incentive and Ease of investment;
- f. Evaluation and Reporting Gift Incentive and Convenience; and
- g. coaching and supervision.

CHAPTER III

APPLICANTS AND CRITERIA FOR PROVIDING  
INCENTIVES AND INVESTMENT FACILITIES

Part One  
Applicant

Article 5

Business actors who can apply for Incentives and/or Investment Facilities are:

- a. Business Actors who will expand their business; or
- b. Business actors who are just starting to establish a business.

Part Two of the  
Criteria

Article 6

- (1) The provision of incentives and/or facilities to applicants as intended in Article 5 must meet the following criteria:
  - a. contributing to increasing community income;
  - b. absorbing local labor;
  - c. using most of the local resources;
  - d. contribute to the improvement of public services;
  - e. give contribution deep Increased gross regional domestic product;
  - f. environmentally sound and sustainable;
  - g. infrastructure development;
  - h. transfer technology;
  - i. pioneering industry;
  - j. Implement Activities research development and innovation;
  - k. partnering with micro, small, or cooperative enterprises;
  - l. business activities that use capital goods, machinery, or equipment produced domestically;
  - m. carry out business activities in accordance with national and/or regional priority programs;
  - n. export-oriented; and/or
  - o. employ people with disabilities.
- (2) The criteria as referred to in paragraph (1) are the basis for the assessment of the Provision of Incentives and Ease of Investment.
- (3) The basis for assessing the provision of incentives and convenience uses regional priority variables and scales as listed in the Appendix which is an integral part of this Regional Regulation.

CHAPTER IV  
FORMS OF INCENTIVES AND EASE OF INVESTMENT

Article 7

The forms of Investment Incentives are:

- a. reduction, relief, or exemption of Taxes;
- b. reduction, relief, or exemption of the Retribution;
- c. providing business capital assistance and/or work equipment to Micro Enterprises, Small Enterprises, and/or Cooperatives in the Region;
- d. assistance for vocational training facilities for Micro, Small Enterprises, and/or Cooperatives in the Regions;
- e. assistance for research and development for Micro Enterprises, Small Enterprises, and/or Cooperatives in the Region; and/or
- f. low loan interest rates for Micro Enterprises, Small Enterprises, and/or Cooperatives in the Region.

Article 8

The form of Investment Facility is in the form of:

- a. Provision data and information chance Investment;
- b. provision of facilities and infrastructure;
- c. facilitation of land or location provision;
- d. providing technical assistance;
- e. Simplification and acceleration gift licensing through one-stop integrated services;
- f. ease of access to marketing of production products;
- g. ease of direct investment in construction;
- h. investment facilities in strategic areas stipulated in laws and regulations that have potential for the development of the District;
- 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. ease of access to ready-made and skilled labor;
- l. ease of access to raw material supply; and/or
- m. facilitation of investment promotion in accordance with the authority of the Region.

#### Article 9

The provision of incentives and investment facilities as intended in Article 7 and Article 8 is given in accordance with the financial capabilities and policies of the Regional Government.

### CHAPTER V

#### TYPES OF BUSINESSES OR INVESTMENT ACTIVITIES

#### Article 10

- (1) Certain types of businesses or certain activities that can be provided for Investment Incentives and Ease of Investment must carry out activities that support Regional policies and Regional priority sectors, including:
  - a. tourism and culture;
  - b. education;
  - c. creative economy;
  - d. transportation;
  - e. infrastructure; and
  - f. energy priority sectors.
- (2) Certain types of businesses or certain activities as intended in paragraph (1) consist of:
  - a. micro, small, and/or cooperative enterprises;
  - b. the required efforts with partnerships;
  - c. businesses that are required to own capital;
  - d. business required with a specific location;
  - e. required businesses with special permits;
  - f. businesses that are open in the context of Investment that prioritize 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.
- (3) The types of businesses that support the priority sectors of tourism and culture as referred to in paragraph (1) letter a, are prioritized in new tourism attraction businesses, culture-based tourism attractions, efforts to increase competitiveness and existing tourist attractions.
- (4) Types of businesses that support priority sectors of education as referred to in paragraph (1) b
- |             |            |                     |           |
|-------------|------------|---------------------|-----------|
| Prioritized | at         | Industry/Facilities | supporter |
| development | education  | vocation,           | research  |
| development | technology | education           | Based     |
- Culture/Science Techno Park, Competency Incubator.*
- (5) The types of businesses that support the priority sectors of the creative economy as referred to in paragraph (1) c are prioritized in the creative industries of crafts, fashion, culinary, information technology-based industries and the creative industries of culture and tourism that increase the added value of culture and tourism.
- (6) The type of business that supports the transportation priority sector as referred to in paragraph (1) letter d is prioritized in environmentally friendly transportation and mass transportation businesses.
- (7) The type of business that supports the infrastructure priority sector as referred to in paragraph (1) letter e is prioritized in supporting infrastructure businesses in Northern Surakarta and border areas.
- (8) The type of business that supports the energy priority sector as referred to in paragraph (1) letter f is prioritized on the fulfillment of community energy sourced from new and renewable energy.

CHAPTER VI  
PROCEDURES FOR PROVIDING INCENTIVES AND  
EASE OF INVESTMENT

Article 11

- (1) The community and/or investors submit an application for the provision of incentives and/or investment facilities in writing to the Mayor.
- (2) Existing investors who will expand their business as referred to in Article 5 letter a, the application contains:
  - a. company performance;
  - b. business development ;
  - c. scope of business; and
  - d. form of Incentives and/or Facilities requested.
- (3) New investors who will open a business as referred to in Article 5 letter b, the application contains:
  - a. company profile ;
  - b. business plan; and
  - c. form of incentive and/or facility requested.
- (4) Further provisions regarding the procedure for applying for Incentives and/or Investment Facilities are regulated in the Mayor's Regulation.

Article 12

- (1) The Application for Incentives and/or Investment Facilities as intended in Article 11 paragraph (1) is verified by the Verification and Assessment Team.
- (2) The membership of the Verification and Assessment Team as intended in paragraph (1) consists of the relevant Regional Apparatus and is coordinated by the DPMPTSP.

- (3) The establishment of the Verification and Assessment Team as intended in paragraph (1) is stipulated by the Mayor's Decree.

#### Article 13

The Verification and Assessment Team as referred to in Article 12 has the following duties:

- a. conduct verification and assessment of the submission of applications for Incentives and Investment Facilities;
- b. conducting field surveys;
- c. conducting an assessment of the implementation of Investment activities by the Community and/or Investors according to criteria based on assessment variables;
- d. determine the form and amount of Incentive and/or Investment Facility based on the results of the assessment;
- e. submit recommendations for incentives and/or Investment Facility recipients to the Mayor;
- f. monitoring and evaluating the implementation of Incentives and Investment Facilitation in the Regions; and
- g. report the results of monitoring and evaluation of the implementation of Incentives and Investment Facilitation at least 1 (one) time a year to the Mayor.

#### Article 14

- (1) The Mayor determines the recipients of the Incentive and/or Investment Facility based on the recommendations of the Verification and Assessment Team as intended in Article 13 letter e.
- (2) The recipient as intended in paragraph (1) is determined by the Mayor's Decree.

- (3) The Mayor's decision as referred to in paragraph (2) At least load:
- a. name;
  - b. recipient's address;
  - c. business fields or investment activities;
  - d. forms of incentives and/or facilities;
  - e. incentive period; and
  - f. rights and obligations of incentive recipients and/or Investment Facilities.
- (4) In the event that the application for Incentive and/or Investment Facility is rejected, the rejection is accompanied by a reason.

## CHAPTER VII

### RIGHTS, OBLIGATIONS AND RESPONSIBILITIES

#### Article 15

The rights of recipients of the Incentive and/or Investment Facility are:

- a. get information on incentive services and/or ease of investment;
- b. obtain Incentives and/or Investment Facilities according to the established mechanism;
- c. obtaining services for the process of providing Incentives and/or Ease of Investment, supervision and guidance on Investment;
- d. obtain legal certainty and legal protection; and
- e. get open information about the business field it runs.

#### Article 16

Obligation recipient Incentive and/or The Investment Facilities are:

- a. implementing the principles of good corporate governance;

- b. carrying out corporate social responsibility;
- c. submit reports on Investment activities to the Regional Apparatus that organizes government affairs in the field of investment;
- d. respect the characteristics and culture of the region based on the values of community life; and
- e. Comply with all provisions of laws and regulations.

#### Article 17

The responsibilities of the recipients of the Incentives and/or Investment Facilities are:

- a. ensuring the availability of capital from sources that do not conflict with the provisions of laws and regulations;
- b. bear and settle all obligations and losses if the Investor terminates, abandons or abandons its business activities unilaterally in accordance with the provisions of laws and regulations;
- c. creating a conducive business climate with healthy business competition, preventing monopoly practices and other things that are detrimental to the state/region;
- d. maintaining environmental sustainability; and
- e. create safety, health, comfort, and welfare of workers.

### CHAPTER VIII

#### DURATION AND FREQUENCY OF INCENTIVES AND EASE OF INVESTMENT

#### Article 18

The provision of incentives and investment facilities is carried out within a certain period of time and frequency.

#### Article 19

- (1) Provision of Incentives and Investment Facilities to new investors at most 2 (two) times.
- (2) Providing incentives to the old Investor at most 2 (two) times when the Investor's business experiences capital losses and/or difficulties.
- (3) The provision of Investment Facilities to existing investors who want to develop their businesses is given a maximum of 1 (one) time.

### CHAPTER IX

#### EVALUATION AND REPORTING OF INCENTIVES AND/OR INVESTMENT FACILITATION

#### Article 20

- (1) The public and/or Investors who receive Incentives and/or Investment Facilities are required to submit a report to the Mayor at least once every 1 (one) year.
- (2) The report as intended in paragraph (1) contains the use and/or utilization of the Incentives and Investment Facilities received.
- (3) Investors who receive Incentives and/or Investment Facilities who do not carry out their obligations as intended in paragraph (1) are subject to administrative sanctions in the form of:
  - a. written warnings; and/or
  - b. revoked his rights as a recipient of Incentives and/or Investment Facilities;
- (4) Written warnings as intended in paragraph (3) letter a are given 3 (three) times in 1 (one) month.
- (5) Further provisions regarding the imposition of administrative sanctions as intended in paragraph (3) are regulated in the Mayor's Regulation.

#### Article 21

- (1) DPMPTSP together with the Verification and Assessment Team evaluate the implementation of Incentives and/or Investment Facilities at least 1 (one) time a year.
- (2) The provision of incentives and/or Investment Facilities may be reviewed if based on the results of the evaluation as intended in paragraph (1), the Investment activities are considered not to meet the criteria as intended in Article 6 and/or are not in accordance with the provisions of laws and regulations.
- (3) The results of the evaluation as referred to in paragraph (1) are submitted by the DPMPTSP to be discussed and followed up with the Verification and Assessment Team.

#### Article 22

DPMPTSP and related Regional Apparatus evaluate the Provision of Incentives and/or Investment Facilities at least once every 5 (five) years.

### CHAPTER X

#### CONSTRUCTION AND SUPERVISION

#### Article 23

- (1) Guidance and supervision of the Provision of Incentives and/or Ease Planting Capital is coordinated by the Mayor through the DPMPTSP.
- (2) Guidance and supervision as intended in paragraph (1) includes supervision of the use of Incentives and/or Investment Facilities and the obstacles faced.

CHAPTER XI  
CONCLUDING  
PROVISIONS

Article 24

The implementation regulations of this Regional Regulation must have been stipulated no later than 1 (one) year since this Regional Regulation was promulgated.

Article 25

This Regional Regulation comes into effect on the date of promulgation.

So that everyone knows about it, order the promulgation of this Regional Regulation with its placement in the Regional Gazette of the City of Surakarta.

Set in Surakarta

on December 29, 2023

MAYOR OF SURAKARTA,

Ttd

A MAN WHO HAS BEEN RAPED BY A MAN

Promulgated in Surakarta

on December 29, 2023

REGIONAL SECRETARY OF THE CITY OF  
SURAKARTA,

Ttd

BUDI MURTONO

REGIONAL GAZETTE OF THE CITY OF SURAKARTA IN 2023 NUMBER 15

NOREG REGIONAL REGULATION OF THE CITY OF SURAKARTA, CENTRAL  
JAVA PROVINCE (15-401/2023)

Copy in accordance with the original  
HEAD OF LEGAL DEPARTMENT  
REGIONAL SECRETARIAT OF SURAKARTA CITY,





TOP  
EXPLANATION  
SURAKARTA CITY REGIONAL  
REGULATION NUMBER 15      YEAR  
2023  
ABOUT  
INCENTIVES AND INVESTMENT FACILITIES

I.    COMMON

Providing incentives and ease of investment is an important aspect in building a competitive investment climate. The Provision of Incentives and Investment Facilitation aims to create the attraction and increase of strategic and quality Investment activities. The presence of regulations on the provision of Incentives and Ease of Investment can provide legal certainty for capital owners in investing and running their businesses.

To encourage the growth of investors in the Region and implement the provisions of Article 7 of Government Regulation Number 24 of 2019 concerning the Provision of Incentives and Ease of Investment in the Regions, it is necessary to prepare a Regional Regulation of the City of Surakarta concerning the Provision of Incentives and Ease of Investment. This Regional Regulation can be used as a guideline in the implementation of Incentives and Investment Facilitation in the City of Surakarta.

The Surakarta City Regional Regulation on Incentives and Ease of Investment is expected to facilitate the local government's steps in bringing in as many investors as possible, increasing economic growth, increasing community income, creating jobs, empowering local resources, increasing sustainable economic development, encouraging people's economic development, and realizing community welfare.

II.    CHAPTER BY CHAPTER

Article 1

Pretty clear.

Article 2

Pretty clear.

## Article 3

### Letter a

What is meant by the "principle of legal certainty" is the principle of placing laws and regulations as the basis of the Regional Government in every policy and action in providing incentives and/or providing Investment Facilities.

### Letter b

What is meant by the "principle of openness" is the principle of openness to the public's right to obtain true, honest, and non-discriminatory information about Investment activities

### Letter c

What is meant by the "principle of accountability" is the principle of the form of accountability for the provision of incentives and/or the provision of Investment Facilities.

### Letter d

What is meant by "the principle of equal treatment and does not discriminate from the origin of the country" is the principle of non-discriminatory service treatment based on the provisions of laws and regulations, both between domestic investors and foreign investors as well as between investors from one foreign country and investors from other foreign countries.

### Letter e

What is meant by the "principle of togetherness" is the principle of encouraging the role of all investors together in their business activities to realize the welfare of the people.

### Letter f

What is meant by the "principle of efficiency and justice" is the principle that underlies the implementation of Investment by prioritizing equitable efficiency in an effort to create a fair, conducive, and equitable business climate.

Empowered  
competition.

Letter g

What is meant by the "sustainable principle" is a principle that systematically seeks to run the development process through Investment to ensure prosperity and progress in all aspects of life, both for the present and the future.

Letter h

What is meant by "environmentally sound principles" is the principle of Investment which is carried out while still paying attention to and prioritizing environmental protection and maintenance.

Letter i.

What is meant by the "principle of independence" is the principle of Investment which is carried out while still prioritizing the potential of the nation and the State by not closing itself to the entry of foreign capital for the realization of economic growth.

Letter j.

What is meant by the "principle of balance of progress and national economic unity" is a principle that seeks to maintain the balance of regional economic progress in national economic unity.

Article 4

Pretty clear.

Article 5

Pretty clear.

Article 6

Paragraph (1)

Letter a

What is meant by "contributing to increasing community income" is Investment activities that apply to business entities or investors that generate leverage in the Region.

Letter b

What is meant by "absorbing local workers" is a comparison between the number of local workers (with Surakarta ID cards) and the number of workers employed.

Letter c

What is meant by "using most of local resources" is an investor who uses more local raw materials than raw materials taken from outside the area used in their business activities.

Letter d

What is meant by "contributing to the improvement of public services" is that investors carry out the distribution of funds from the Corporate Social Responsibility (TJSP) program in the provision of public services on a regular basis.

Letter e

What is meant by "contributing to the increase in gross regional domestic product" is an increase in the total production of Investors both in terms of estimates and realizations.

Letter f

What is meant by "environmentally sound and sustainable" must:

- a. have environmental impact feasibility;
- b. does not pollute the environment;
- c. have waste treatment facilities;
- d. have Activities deep Preservation and environmental protection; and or
- e. Implement Recommendations Attempt Environmental Monitoring or Environmental Management Efforts.

Letter g

What is meant by "infrastructure development" of Investors who support the Regional Government in providing facilities and infrastructure needed by the community.

Letter h

What is meant by "technology transfer" is an Investor who provides opportunities for the Regional Government and the community to increase the knowledge and application of technology used by Investors.

Letter i

The criteria for conducting a "Pioneer Industry" are applied to Investors whose business activities open new types of businesses that have:

- a. extensive interconnectedness;
- b. provide high added value and take into account the externalities that occur;
- c. introducing new technologies; and
- d. have strategic value for the national and regional economies by increasing the potential of the region to become the flagship of the region.

Letter j

The criteria for carrying out research, development, and innovation activities are applied to investors whose business activities are engaged in research and development, technological innovation in managing the potential of the Region

Letter k

The criteria for partnering with Micro, Small and Cooperative Enterprises are applied to Investors whose business activities are in partnership with micro, small, medium, or cooperative entrepreneurs.

Letter l

The criteria for industries that use capital goods, machinery, or equipment produced domestically are applied to investors whose business activities use more than 50% (fifty percent) local content for:

- a) capital goods in the form of local materials or content;
- b) machine; or

c) domestically manufactured equipment.

Letter m

What is meant by "Regional Priorities" is the program that is the flagship of the Regional Spatial Plan (RTRW); Regional Long-Term Development Plan (RPJPD); Regional Medium-Term Development Plan (RPJMD).

Letter n

Pretty Clear

Letter o

Investors are required to employ at least 1 percent (one percent) of Persons with Disabilities from the number of employees or workers.

Paragraph (2)

Pretty clear.

Paragraph (3)

Pretty clear.

Article 7

Letter a

That Intended with "Reduction and Tax Relief" includes:

- a. Rural and Urban Land and Building Tax, hereinafter abbreviated as PBB-P2;
- b. Billboard Tax;
- c. Groundwater Tax hereinafter abbreviated (PAT);
- f. Land and Building Rights Acquisition Duty, hereinafter abbreviated as BPHTB; and
- g. Certain Goods and Services Tax (PBJT) which includes Food and/or Beverages; Power; Hospitality Services; Parking Services; and Arts and Entertainment Services.

Letter b

What is meant by "reduction, relief or exemption of Retribution" is reduction, relief

or exemption from Building Approval (PBG) levy with business functions.

Letter c

What is meant by "capital assistance" can be in the form of capital participation, capital assistance and/or work equipment, and/or revolving funds.

Letter d

What is meant by "vocational training facility assistance" is the provision of training to improve technical skills for business actors.

Letter e

Pretty clear.

Letter f

Pretty clear.

Article 8

Letter a

What is meant by "the provision of data and information on Investment opportunities" includes:

- a. information on regional economic potential;
- b. investment potential and opportunities;
- c. strategic plans and scale of Regional

priorities. Letter b

That Intended with "Provision means and infrastructure", including:

- a) common transport networks;
- b) wastewater and waste networks;
- c) clean water network;
- d) telecommunications networks; and
- e) information and publication

networks. Letter c

What is meant by "facilitation of land or location provision" includes:

- a) information on the spatial plan of the city of Surakarta;
- b) technical assistance in land procurement;
- c) acceleration of land acquisition; and/or
- d) Provision of a coworking space for the information technology-based creative economy.

Letter d

Providing convenience in the form of providing technical assistance can be in the form of technical guidance, training, and experts.

Letter e

What is meant by "simplifying and accelerating the granting of licensing through One-Stop Integrated Services" (PTSP) to shorten time, at a low cost for licensing that is costly, precise and fast procedures, supported by online information systems, including:

- a) Independent Online Single Submission (*OSS*) services;
- b) auxiliary OSS services;
- c) priority services; and
- d) business pick-up

service. Letter f

What is meant with "Ease of access marketing of production products", including:

- a. participation in exhibitions and promotional activities;
- b. connect with online promotional media; and
- c. Provision and update of market information.

Letter g

What is meant by "ease of direct investment in construction" is a facility where business actors can continue to carry out their business preparations in the form of construction construction once they get an Investment Registration permit even though they do not have other permits such as Building Approvals, Environmental Permits, EIA, UKL/UPL and various implementation permits in the Regions. With a note, during the start of construction, business actors are required to continue to take care of these permits. The permits that are not yet in possession must be completed before the entire construction construction for production activities is completed. After the permit and construction are completed, new business actors are allowed to carry out production activities and start operations.

Letter h

What is meant by "Ease of Investment in Strategic Areas stipulated in laws and regulations that have the potential for regional development" includes Strategic Areas according to the Regional Spatial Plan (RTRW)

Letter i

What is meant by "Providing comfort and security to invest in the Region" includes:

- a. maintaining and improving the conduciveness of the region;
- b. certainty of licensing procedures and hours; and
- c. facilitate the resolution of problems that arise in business through a team or task force formed by the Regional Government.

Letter j

What is meant by "the ease of the certification and standardization process in accordance with the provisions of laws and regulations", includes:

- a. assistance and/or facilitation of Intellectual Property Rights (IPR);
- b. assistance and/or facilitation of halal certificates;
- c. assistance and/or facilitation of Indonesian National Standards (SNI); and
- d. assistance and/or facilitation of Household Industrial Food Production Certificates (SPPIRT).

Letter k

What is meant by "ease of access to ready-to-use and skilled labor", includes:

- a. the provision of ready-to-use workforce data for business activities; and
- b. Provision hall exercise work for Skills certain.

Letter l

What is meant by "ease of access to raw material supply" includes:

- a. meeting with raw material providers; and
- b. Provide alternative information on substitute raw materials

Letter m

What is meant by "convenience in the form of facilitating investment promotion in accordance with the authority of the Regions" includes:

- a. Include deep exhibition held in the Region;
- b. Provides help technical to expanding the scope of the market; and/or
- c. provide facilities for the place to hold promotions.

Article 9

Pretty clear.

Article 10

Paragraph (1)

Letter a

Pretty clear.

Letter b

Pretty clear.

Letter c

What is meant by "creative economy" is the embodiment of added value of intellectual property sourced from human creativity based on cultural heritage, science, and/or technology, covering the sub-sectors of architecture, interior design, visual communication design, product design, fashion, film, animation, and video, photography and advertising, crafts (crafts), culinary, music, applications, game development, publishing, advertising; television and radio; performing arts and fine arts.

Letter d

Pretty clear.

Letter e

Pretty clear.

Letter f

Pretty clear.

Paragraph (2)

Pretty clear.

Paragraph (3)

Pretty clear.

Paragraph (4)

Pretty clear.

Paragraph (5)

Pretty clear.

Paragraph (6)

Pretty clear.

Paragraph (7)

What is meant by "infrastructure priority" is investment that prioritizes the development of infrastructure projects such as road repairs, irrigation canal repairs and building construction in the form of hotels and hospitals.

Paragraph (8) Pretty clear.

Article 11

Pretty clear.

Article 12

Pretty clear.

Article 13

Pretty clear.

Article 14

Pretty clear.

Article 15

Pretty clear.

Article 16

Letter a

Pretty clear.

Letter b

What is meant by "corporate social responsibility" is the social responsibility inherent in each company to continue to create harmonious and balanced relationships in accordance with the values, norms, culture of the local community and the environment.

Letter c

Pretty clear.

Letter d

Pretty obvious

Article 17

Pretty clear.

Article 18

What is meant by "certain period and frequency" is the determination of the period and frequency set by the authorized official based on the form of incentives and facilities provided to the Community and/or Investors.

Article 19

Paragraph (1)

What is meant by "new Investor" is an Investor who runs business operations for up to 5 (five) years.

Paragraph (2)

What is meant by "Old Investor" is an Investor who has been running business operations for more than 5 (five) years.

What is meant by "experiencing losses and/or experiencing capital difficulties" is evidenced by the company's financial statements.

Paragraph (3)

Pretty clear.

Article 20

Paragraph (1)

Pretty clear.

Paragraph (2)

Pretty clear.

Paragraph (3)

Pretty clear.

Paragraph (4)

What is meant by "written warning is given a maximum of 3 (three) times with a period of first, second and third warnings of a maximum of 14 (fourteen) working days.

Paragraph (5)

Pretty clear.

Article 21

Pretty clear.

Article 22

Pretty clear.

Article 23

Pretty clear.

Article 24

Pretty clear.

Article 25

Pretty clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF THE CITY OF SURAKARTA  
NUMBER 147

ATTACHMENT

SURAKARTA CITY REGIONAL

REGULATION NUMBER 15     YEAR 2023

ABOUT

INCENTIVES AND INVESTMENT FACILITIES

ASSESSMENT AND VERIFICATION POLICY FOR INCENTIVES AND EASE OF INVESTMENT

I. Variables of Assessment of Incentives and Investment Facilitation

Yes	VARIABLE	INDICATORS	PARAMETERS	SCORE
1	Contribute to increasing community income	Investors can provide impact on Increased revenue The average community around the business location	Level flat The average monthly income of employees is below MSEs.	1
			Level The average monthly income of employees is the same with MSEs.	2
			Level flat The average monthly income of employees is above MSEs.	3
2	Absorb Local workforce Region	Use of local labour needed/employed in his business	Absorption of local labor 40% to 50%	1
			Labor Absorption Local 51% to 60%	2
			Labor Absorption Local more than 60 %	3

3	using partial A large number of local resources	Planter capital use local raw materials are larger than raw materials taken from outside the region used in their business activities	The ratio of total cost of raw materials from local sources that used against  Total raw material requirement less than 10%	1
			The ratio of total cost of raw materials from local sources that used against  Total Material Requirements Range between 10%-30%	2
			The ratio of total cost of raw materials from local sources that used against  Total Raw Material Requirements more than 30%	3
4	Contribute for the improvement of public services	Planter capital to carry out the distribution of funds from program Corporate Social Responsibility (TJSP) in the provision of public services on a regular basis	Not yet exist contribution TJSP funds.	1
			The contribution of TJSP funds is less than 2% per year of its net profit.	2
			TJSP fund contribution of more than 2% per year from advantage Cleanliness	3

5	Contribute in product improvement domestic Gross Regional	Increase in total investor production is well forecast and its realization	Total production value growth Investors increased by an average of less than 5% per Year.	1
			Total value of planter production Capita l increased between 5%-10%/Year	2
			Total value of planter production capita l increased by more than 10%/Year	3
6	Environmentally Friendly and sustainable	Body Business/Investor that Applying the Principles of Balance and justice as well as the use of resources (nature) and obeying the spatial plan that has been set.	have document environmental management (EIA, UKL/UPL, SPPL) and does not pollute the environment.	1
			have document environmental management (EIA, UKL/UPL, SPPL), does not pollute the environment and recycle their waste (Producti on clean).	2

			have document environmental management (EIA, UKL/UPL, SPPL), does not pollute the environment, recycles its waste (production clean), have means of collecting hazardous and toxic material waste, and has conservation and protection activities for the milieu.	3
7	infrastructure development	Investors who support local governments in providing facilities and infrastructure needed by the community	Planter Capital deep Business does not include development FASOS and FASUM	1
			An investor who is just trying to get the hang of it development of FASOS and FASUM Getting support funds from the APBD	2
			Investors who in their business are building FASOS and FASUM	3

8	do  Technology transfer	Investors who provide opportunities for government regions and communities in Increase knowledge and the application of technology used by investors	Not yet exist Technology transfer to Government Area And to the Community	1
			Transfer technolog y to Governmen t Regions and Communities with the support of APBD funds	2
			Transfer technolog y to Governmen t Regions and Communities with full financing from Investor.	3
9	Pioneering Industry	Planter Capital that opens kind New Venture that have Linkages broad business activities, providing value add and take into account the externalities that occur, introducing technology new and have value strategic in Support development product Region Excellence	Investor Business is not a new type of business and has no connection Business Activities that area (Linkage Fore and backward) and not supporting the development of Regional Superior Products (PUD)	1

			An Investor Business is a new type of business that have Linkages Business Activities that area (Linkage Fore Back and forth, but not Support development Product Regional Excellence (PUD))	2
			An Investor Business is a new type of business that have Linkages Business Activities that area (Linkage Forward and back and support the development of Product Regional Excellence (PUD))	3
10	carry out research, development, and innovation activities	Activities his business moves in Research Areas and development, technological innovation in managing the potential of the Region	There are no R&D activities and innovations in increasing added value Region al Superior Products (PUD)	1
			There are R&D and innovation activities but they are not related with the development of Product Regional Excellence (PUD).	2
			There are R&D and innovation activities but those that are closely related to product development	3

			Regional (PUD)	Excellence	
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11	partnering with micro, small, medium, or cooperative enterprises	Do Partnerships with micro, small, or cooperative entrepreneurs	Investors have not made partnerships functionally.	1
			Planter capital to functionally engage in partnerships in Production field only	2
			Planter capital to carry out partnerships functionally in the field of production and Results Marketing	3
12	industry who uses the goods capital machine or equipment that Produced Domestically	Activities his efforts using Capital, machine or domestically manufactured equipment	The Investor has not used capital goods, machinery or equipment Production with local content	1
			Planter Capital using capital goods, machinery or equipment production with local content less than 50 %	2
			Production machinery or equipment with more local content from 50 %	3

13	Doing activities effort appropriate with Regional priority programs	Business Entities/Investors whose business is located and/or in accordance with the Regional Spatial Plan; RPJPD; RPJMD	Effort Planter capital accordingly with RTRW but not Enter in RPJPD/RPJMD/S KPD Strategic Plan documents and Not located at area Fast-growing strategic	1
			Investor's business is in accordance with the RTRW but is not included in the RPJPD/RPJMD /SKPD Strategic Plan documents and Not located in the area Fast-growing strategic	2
			Effort Planter capital accordingly with RTRW, included in the RPJPD/RPJMD/SKPD Strategic Plan document and located in a fast strategic area grow.	3
14	Export-oriented	Activities effort has been export-oriented	Activities effort not yet Export-oriented	1
			Activities effort Started Oriented export	2

			Activities effort Oriented export with export value increasing every year in the last five years	3
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15	Employ people with disabilities	Investors in activities its efforts to employ workers with disabilities	Absorbing disability 1 %	1
			Absorb Disability above 1% to 3%	2
			Absorb Disability above 3%	3

2. Priority Scale of Incentive Provision and Form of Incentive Given

Yes	Score (Scale Priority)	Forms of Incentives in Investment	Compass Time
1	Under 16	Not get Reduction or Tax and/or Levy relief.	
2	16-24 (low)	Reduction, or reduction of Tax and/or Levy for each Investor is given a maximum of 10% (ten percent) of the total estimated or realized payment of Tax and/or Levy from Investors	1 (one) Year
3	25-34 (medium)	Reduction, or relief of Taxes and/or Levies for each investor of a maximum of 20% (twenty percent) of the total estimated or realized payment of Tax and/or Levy from Investors; and/or.	1 (one) Year
4	35-45 (height)	Tax and/or Levy Reduction for each Investor is a maximum of 30% (thirty percent) of the total estimated or realized payment of Tax and/or Levy payments from Investors.	2 (two) Years

MAYOR OF SURAKARTA,

Ttd

A MAN WHO HAS BEEN RAPED BY A MAN